

Planning, Housing and Economic Development Policy Development and Scrutiny Panel

Date: Tuesday, 13th March, 2018

Time: 2.00 pm

Venue: Aix en Provence Room - Guildhall, Bath

Councillors: Councillor Will Sandry

Councillor Barry Macrae

Councillor Rob Appleyard

Councillor Colin Blackburn

Councillor Lisa O'Brien

Councillor David Veale

Councillor Liz Richardson

Chief Executive and other appropriate officer
Press and Public



Mark Durnford

Democratic Services

Lewis House, Manvers Street, Bath, BA1 1JG

Telephone: 01225 394458

Web-site - <http://www.bathnes.gov.uk>

E-mail: Democratic_Services@bathnes.gov.uk

NOTES:

1. **Inspection of Papers:** Papers are available for inspection as follows:

Council's website: <https://democracy.bathnes.gov.uk/ieDocHome.aspx?bcr=1>

Paper copies are available for inspection at the **Public Access points:-** Reception: Civic Centre - Keynsham, Guildhall - Bath, The Hollies - Midsomer Norton. Bath Central and Midsomer Norton public libraries.

2. **Details of decisions taken at this meeting** can be found in the minutes which will be circulated with the agenda for the next meeting. In the meantime, details can be obtained by contacting as above.

3. **Recording at Meetings:-**

The Openness of Local Government Bodies Regulations 2014 now allows filming and recording by anyone attending a meeting. This is not within the Council's control.

Some of our meetings are webcast. At the start of the meeting, the Chair will confirm if all or part of the meeting is to be filmed. If you would prefer not to be filmed for the webcast, please make yourself known to the camera operators.

To comply with the Data Protection Act 1998, we require the consent of parents or guardians before filming children or young people. For more information, please speak to the camera operator.

The Council will broadcast the images and sound live via the internet www.bathnes.gov.uk/webcast The Council may also use the images/sound recordings on its social media site or share with other organisations, such as broadcasters.

4. **Public Speaking at Meetings**

The Council has a scheme to encourage the public to make their views known at meetings. They may make a statement relevant to what the meeting has power to do. They may also present a petition or a deputation on behalf of a group. They may also ask a question to which a written answer will be given. **Advance notice is required not less than two full working days before the meeting. This means that for meetings held on Thursdays notice must be received in Democratic Services by 5.00pm the previous Monday.** Further details of the scheme:

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=12942>

5. **Emergency Evacuation Procedure**

When the continuous alarm sounds, you must evacuate the building by one of the designated exits and proceed to the named assembly point. The designated exits are signposted. Arrangements are in place for the safe evacuation of disabled people.

6. **Supplementary information for meetings**

Additional information and Protocols and procedures relating to meetings

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13505>

**Planning, Housing and Economic Development Policy Development and Scrutiny Panel -
Tuesday, 13th March, 2018**

at 2.00 pm in the Aix en Provence Room - Guildhall, Bath

A G E N D A

1. WELCOME AND INTRODUCTIONS

2. EMERGENCY EVACUATION PROCEDURE

The Chair will draw attention to the emergency evacuation procedure as set out under Note 6.

3. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

4. DECLARATIONS OF INTEREST

At this point in the meeting declarations of interest are received from Members in any of the agenda items under consideration at the meeting. Members are asked to indicate:

(a) The agenda item number in which they have an interest to declare.

(b) The nature of their interest.

(c) Whether their interest is **a disclosable pecuniary interest** or an **other interest**,
(as defined in Part 2, A and B of the Code of Conduct and Rules for Registration of Interests)

Any Member who needs to clarify any matters relating to the declaration of interests is recommended to seek advice from the Council's Monitoring Officer or a member of his staff before the meeting to expedite dealing with the item during the meeting.

5. TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN

6. ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE DEPUTATIONS, STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING

At the time of publication no notifications had been received.

7. MINUTES - 16TH JANUARY 2018 (Pages 7 - 18)

8. CABINET MEMBER UPDATE

The Cabinet Member(s) will update the Panel on any relevant issues. Panel members may ask questions on the update(s) provided.

9. EMPTY RESIDENTIAL PROPERTY POLICY 2018 (Pages 19 - 44)

The emerging policy has been developed to reduce duplication of effort by different service areas of the Council in their work on empty properties and to take advantage of changes to the statutory tools available to the Council to deal with nuisance empty properties.

10. AFFORDABLE HOUSING DELIVERY IN THE BATH ENTERPRISE ZONE (Pages 45 - 50)

This report informs the Panel of the current housing situation in the Enterprise Zone and the steps being made to help address housing need to support the delivery of a vibrant and economically sustainable City, whilst continuing to meet general affordable housing need in Bath.

11. ADDITIONAL HMO LICENSING UPDATE (Pages 51 - 72)

The report asks the Panel to consider whether in due course Cabinet will need to make a decision to designate a new additional licensing scheme post 31st December 2018, and if so, in what locality and for what classes of House in Multiple Occupation (HMO).

12. PANEL WORKPLAN (Pages 73 - 76)

This report presents the latest workplan for the Panel. Any suggestions for further items or amendments to the current programme will be logged and scheduled in consultation with the Panel's Chair and supporting officers.

The Committee Administrator for this meeting is Mark Durnford who can be contacted on 01225 394458.

BATH AND NORTH EAST SOMERSET

**PLANNING, HOUSING AND ECONOMIC DEVELOPMENT POLICY DEVELOPMENT
AND SCRUTINY PANEL**

Tuesday, 16th January, 2018

Present:- Councillors Will Sandry (Chair), Barry Macrae (Vice-Chair), Rob Appleyard, Colin Blackburn, Lisa O'Brien, David Veale and Liz Richardson

Also in attendance: Louise Fradd (Strategic Director - Place), John Wilkinson (Divisional Director - Community Regeneration) and Sarah Chodkiewicz (Finance Manager)

35 WELCOME AND INTRODUCTIONS

The Chairman welcomed everyone to the meeting.

36 EMERGENCY EVACUATION PROCEDURE

The Chairman drew attention to the emergency evacuation procedure.

37 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

There were none.

38 DECLARATIONS OF INTEREST

Councillor Barry Macrae declared an other interest with regard to agenda item 10 (Bristol Airport Masterplan) as he had previously been a member of Wessex Flying Club.

39 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN

There was none.

**40 ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE DEPUTATIONS,
STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF
THIS MEETING**

There were none.

41 MINUTES - 7TH NOVEMBER 2017

The Panel confirmed the minutes of the previous meeting as a true record and they were duly signed by the Chairman.

42 CABINET MEMBER UPDATE

Councillor Paul Myers, Cabinet Member for Economic and Community Regeneration addressed the Panel, a summary of his update is set out below.

Housing

He said that a 10 week consultation would commence in February 2018 regarding the future of the Council's Additional Licensing Scheme for HMOs.

72 Extra Care Homes would be available from Spring 2019 on the Ensleigh site.

Bath Enterprise Zone

The land acquisition from BMT of Bath Quays South is complete and work should commence on site within the next two months.

An outline planning application has been submitted for the development of Bath Quays North, following public consultation towards the end of last year.

Broadband connection voucher scheme

522 vouchers have been issued as part of the Government trial to improve broadband speeds in homes in Bath & North East Somerset.

Heritage

The Roman Baths had 1.2m visitors in 2017.

The Fashion Museum and Assembly Rooms were among the 2017 Sandford Award winners. The Sandford Award is an independently judged, quality assured assessment of education programmes at heritage sites, museums, archives and collections across the British Isles.

He informed the Panel 2018 was the 200th anniversary of the publication of Mary Shelley's Frankenstein. Mary Shelley had lived at 5 Abbey Churchyard.

Councillor Colin Blackburn asked if there was an update on the Newark Works element of Bath Quays South.

The Divisional Director for Community Regeneration replied that a lockout agreement had been signed with TCN and that site enabling works are due to commence.

Councillor Lisa O'Brien asked how feedback on the Keynsham High Street trial would be gathered.

Councillor Myers replied that there would be an online consultation and work would take place with particular groups to enable the most feedback.

The Divisional Director for Community Regeneration added that on street questionnaires would also be undertaken alongside visits to shops on the High Street and meeting with Keynsham Town Council.

Councillor Rob Appleyard asked if there was a particular focus for the incoming funds from WECA for housing.

The Divisional Director for Community Regeneration replied that there were four areas of focus across the Council in terms of WECA housing support, these were Whitchurch, Keynsham, BWR, Bath Quays.

The Chairman asked if it were true that only 22% of jobs created within the Quays would be at salary levels that enable those people to afford to live in B&NES.

The Divisional Director for Community Regeneration replied that a housing assessment has been carried out which aimed to support the delivery of housing that meets the needs of future workers.

The Chairman thanked Councillor Myers for his update on behalf of the Panel.

Councillor Bob Goodman, Cabinet Member for Development and Neighbourhoods addressed the Panel, a summary of his update is set out below.

Article 4 – Office to Residential

The Leader of the Council has decided to make an Article 4 direction and give notice of the direction. It has been necessary to do this to prevent the unprecedented change from office to residential in the last few years, resulting in the loss of business space.

It does not prevent the change of use but would mean consent would be necessary. Cabinet will decide whether to confirm, abandon or amend the Direction following the public consultation and public representations are considered.

I have declared a pecuniary interest and have not been involved in the decision making process.

Planning Fees

Planning Fees will rise by 20% on Wednesday 17th Jan.

The fee will apply to all applications validated on or after that date.

This is a government offer to the authority and must be 'ring fenced' to employ additional resources within the planning department to ensure a more efficient service and will be monitored.

Budget Changes

- There is to be a permitted development right to allow commercial building to be demolished and replace with home.

- Measures to try and ensure that planning permission (housing) are built out faster.
- Land being 'banked and not being built on by developers (for commercial – rather than technical reasons) could be subject to expanded power of compulsory purchases. Secretary of State is also bring in powers to direct LA to produce Joint Statutory plans as we have in the JSP in the WoE:

J.S.P

Consultation has been concluded and will be submitted for examination. No dates yet for the examination (possibly June) will update.

Local Plan

The consultation here has also closed; good engagement has been made across the region at various events.

Again I will update at the next PHED meeting with dates etc.

Foxhill

I understand the Foxhill Residents Association has issued proceedings in respect to the planning consent for Foxhill Demolition & Regeneration.

This will take the normal legal path.

The Chairman thanked Councillor Goodman for his update on behalf of the Panel.

43 COUNCIL OPERATIONAL PLAN

The Strategic Director for Place introduced this item to the Panel. She explained that the plan has a 2 year focus, aligned with the budget planning process, although it does reference the Council's longer term (years 3 – 5) direction of travel.

She said that the plan was structured by Cabinet Portfolios in line with the budget structure and identifies the key changes in service delivery over 2018-19 and 2019-20 where appropriate. She added that it also outlines the individual budget proposals.

She stated that the plan contains a greater level of detail for the coming year and that the detail for the following years will continue to develop as Council policy evolves and the plan will be updated annually.

She informed them that this edition of the plan would be considered by all Policy Development and Scrutiny Panels in January 2018, having been developed on behalf of the Cabinet, and will inform the 2018/19 budget setting process.

She said that in 2015 the Council started a rigorous review of spending aimed at cutting waste and increasing efficiency. We've also been growing our income opportunities by investing in property, housing and the economy and capitalising on

Bath's heritage and tourism assets - activities that will become even more important in the coming years.

She stated that since 2016 we have saved £27 million primarily through re-designing services, social care efficiencies, reducing our estate, and improving our technology and capital financing arrangements. She added that this work has had minimal impact on front line services, and we continue to be regarded as a good authority by independent inspectors. In addition to the £27 million already saved to 2018, we have committed further savings of £15 million to 2020.

She spoke of the Council's good track record of winning bids for Government grants that attract investment into the area and raise money which help to fund projects that people care about. She added that the decision to support an elected regional Mayor for the West of England and become part of the West of England Combined Authority (WECA) with South Gloucestershire and Bristol Council means that we are benefiting from a share of £1 billion investment in adult skills development and transport infrastructure, including major roads and rail networks, as well as cycling and walking routes.

She addressed the key changes that the Council is proposing, explaining the plan doesn't intend to capture every activity that the Council carries out, but focuses on the key changes over the coming years and highlights key projects that will help achieve our vision for the future.

Councillor Barry Macrae advised a note of caution relating to Digital by Choice and the members of the public that do not regularly use IT.

Councillor Lisa O'Brien asked if the Council's work regarding further education and employment dovetailed with that of WECA.

The Strategic Director for Place replied that the Council was working with WECA regarding the skills agenda.

Councillor Rob Appleyard asked if the pension deficit in relation to Bath Tourism Plus has been addressed.

The Strategic Director for Place replied that this was addressed when the service was brought in house.

Councillor Barry Macrae asked how the Disabled Facilities Grant was funded.

The Finance Manager replied that the funding stream had changed and that it is now supplied by the Better Care Fund from the Government and a contribution from Curo.

The Divisional Director for Community Regeneration added that this was a demand driven programme to support people to stay in their own homes.

Councillor Lisa O'Brien asked if any comment could be made on the future use of Lewis House.

The Strategic Director for Place replied that if staff numbers were to reduce it might be the case that the Council will not occupy all of the available floors on the site.

The Chairman thanked her for presenting the plan to the Panel.

The Panel **RESOLVED** that at this stage there were no specific areas of feedback that they would like to refer to the relevant Cabinet Member for further consideration as part of the operational planning and budget development process.

44 BRISTOL AIRPORT MASTER PLAN

Simon Earles, Planning and Sustainability Director and James Gore, Head of Government and Stakeholder Relations gave a presentation to the Panel on this item. A copy of the presentation can be found on the Panel's Minute Book and online as an appendix to these minutes, a summary is set out below.

Preparing our new Master Plan

- 2003 'Future of Air Transport' White Paper required airports to produce Master Plans.
- First Master Plan published in 2006, including detailed development proposals to accommodate growth to 2015, with indicative plans showing how the airport might expand to handle 12.5 million passengers by 2030.
- Planning permission granted in 2011 for development of facilities to handle 10 million passengers per annum (mppa). Major elements of this development are nearing completion and passenger numbers have passed 8mppa.
- Content should include infrastructure proposals; safeguarding and land/property take; impact on people and the natural environment; and proposals to minimise and mitigate impacts.
- This consultation will seek feedback on our priorities and initial concepts. Feedback will help shape our Draft Master Plan.

Celebrating 60 years

1957 - Bristol Airport opens on the site of a former WWII experimental fighter station called RAF Lulsgate Bottom.

1960s/70s - The world's first supersonic jet, Concorde, was developed at Filton and first flew from there on April 9 1969.

2000 - New terminal opens and passenger numbers hit two million a year.

2003-2006 - Government White Paper on the future of air transport prompts first Bristol Airport Master plan.

2016 - Secretary of State for Transport, Chris Grayling MP, opens a second major terminal extension.

2017 - Passenger numbers reach eight million a year.

Estimated present and future economic impact of Bristol Airport

2017 – 8 million passengers / £1.3bn+ generated in the South West & South Wales / 15,000+ regional jobs.

2030s – 15 million passengers / £2.9bn+ generated in the South West & South Wales / 21,000+ regional jobs.

2040s - 20 million passengers / £3.9bn+ generated in the South West & South Wales / 25,000+ regional jobs.

Our five pillars

A world leading regional airport

Delivering easy and convenient access, excellent on-time performance, friendly and efficient customer service, a great range of destinations, state-of-the-art facilities and a distinctive sense of place that reflects the unique part of the world we serve.

Employment and supporting economic growth

Creating employment and supporting economic growth by connecting the South West of England and South Wales to new markets, talent and tourists.

At the heart of an integrated transport network

Making Bristol Airport an integrated transport hub by bringing together different modes of transport, not just for our passengers and staff, but also for people travelling within, to and through the region.

Sustainable approach

Seeking to reduce and mitigate our effect on communities and the environment, locally and globally, as well as finding opportunities to deliver enhancements.

Deliverability

Developing proposals which are flexible enough to be delivered in phases to meet demand, and which represent value for money for passengers, airlines and other stakeholders.

Design Considerations

Three example scenarios were shown to the Panel.

Next steps

- Analyse feedback from initial consultation.
- Prepare Draft Master Plan for consultation in spring.
- Publish final Master Plan next winter.
- Application for planning and other consents.

Councillor Barry Macrae said that he welcomed the positive developments and felt there were issues to address through public sector involvement through WECA. He asked how many direct jobs were linked to the airport.

James Gore replied that it was just under 3,500.

Simon Earles added that it was plain to see that surface access needs improvement and that partnerships were being developed to identify transport schemes. He said that he was confident that WECA recognises the benefits of development at the airport. He said that he was delighted with the co-operation with B&NES so far.

Councillor Colin Blackburn asked how many of the 8 million passengers would be deemed frequent flyers.

James Gore replied that there were a high proportion of frequent flyers, including 16% being business passengers. He added that a survey of business passengers found that 24% were flying 20 or more times a year from Bristol Airport.

Councillor Rob Appleyard commented that with the projected passenger increase that access to the airport was a key issue.

Simon Earles replied that a Surface Access Strategy would be developed. He said that this would be bus and coach based initially, but options would include heavy rail, underground and metro bus. He added that 12 new double decker buses would soon be available to use on current routes and that the airport were investing £0.5m into a regional transport study.

Councillor Liz Richardson asked from what radius employees at the airport came from.

James Gore gave the Panel the following breakdown of employees from the local area:

- 10% - Bath and North East Somerset
- 22% - Bristol
- 39% - North Somerset
- 11% - Somerset
- 10% - South Gloucestershire
- 5% - South Wales
- 3% - Other

Councillor Liz Richardson asked if there were plans to increase the size of the runway.

Simon Earles replied that this was not in their current plans.

Councillor Patrick Anketell-Jones commented that he was delighted to see the airport was upping their game in terms of sustainability. He asked if the number of night flights over Bath would be addressed in the Master Plan.

Simon Earles replied that restrictions on night movements do exist and that he understood that it was an issue. He added that it would be addressed within the Master Plan.

The Chairman thanked Simon and James for their attendance and presentation to the Panel and invited them to return at a future stage of the Master Plan process.

45 THE ROLE OF THE WEST OF ENGLAND COMBINED AUTHORITY (WECA)

The Divisional Director for Community Regeneration gave a presentation to the Panel on this item. A copy of the presentation can be found on the Panel's Minute Book and online as an appendix to these minutes, a summary is set out below.

Background

- Established in February 2017
- Chaired by Tim Bowles, West of England Mayor
- Facilitates more decision-making on a local level on transport, housing and skills
- Has potential to bring more than £1 billion investment to the region over thirty years.

Interface with the LEP

Staff employed by WECA service both the LEP and the Combined Authority which are linked through their governance arrangements.

West of England Structure

LEP Board

WECA Board

Joint WoE Committee

Beneath the WECA Board and the Joint WoE Committee are the Skills Advisory Board, Business Advisory Board and the Infrastructure Advisory Board.

Funding Streams

LEP Funding

- Local Growth Fund
- Revolving Infrastructure Fund
- Economic Development Fund
- Sustainable Transport Package

WECA Funding

- Gain Share Funding
- Housing Infrastructure Fund
- Housing Deal

Details regarding the Housing Infrastructure Fund and Housing Deal are still to be confirmed.

B&NES Priorities

- A strong economy and growth
- A focus on prevention
- A new relationship with customers and communities
- An efficient business

WECA Priorities

Delivering economic growth for all, under three pillars:

- Businesses that succeed
- World class skills for employment
- Infrastructure fit for the future

WECA-Funded Projects

- Joint Transport Study Highway Infrastructure
- A37 to A362 Improvements
- Hicks Gate Roundabout
- Employment Support Innovation Pilot

LEP-Funded Projects

- Innovation Quay
- Bath Flood Mitigation
- Bath City Centre Transport Package
- Metro West Phase 1

Expected Outcomes

- Safe, public spaces
- Improved infrastructure
- Upgraded connectivity
- Better transport links
- Modern Office Space
- New homes

Future Opportunities

We anticipate that more funding will become available over the coming months as WECA matures.

B&NES will continue to bid for opportunities where they allow us to progress economic growth in the region.

Councillor Lisa O'Brien asked if the non-involvement of North Somerset in WECA would put extra pressure on B&NES, Bristol and South Gloucestershire in terms of housing delivery.

The Strategic Director for Place replied that feasibility studies were due to be carried out on this issue.

The Chairman thanked the Divisional Director for Community Regeneration for his presentation.

46 PANEL WORKPLAN

The Chairman introduced this item to the Panel, he explained that two reports were currently due for March:

HMO Additional Licensing

Review of KPIs - Housing Performance Reports

He said that he would enquire whether the Panel could see the Housing Assessment document referred to earlier with regard to employment at Bath Quays.

Councillor Rob Appleyard suggested a future report for the Panel on the economic development status of Southgate.

The Panel **RESOLVED** to approve the matters raised.

The meeting ended at 5.10 pm

Chair(person)

Date Confirmed and Signed

Prepared by Democratic Services

This page is intentionally left blank

Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Planning, Housing and Economic Delivery Policy Development & Scrutiny Panel	
MEETING/ DECISION DATE:	14 March 2018	EXECUTIVE FORWARD PLAN REFERENCE:
TITLE:	Empty Residential Property Policy 2018	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Please list all the appendices here, clearly indicating any which are exempt and the reasons for exemption: Appendix 1: Empty Residential Property Policy 2018 (final draft for approval)		

1 THE ISSUE

- 1.1 The current empty homes policy was adopted in July 2013. This policy focussed on properties that had been empty for 2 years or more. Since the empty property policy was adopted 317 properties have been brought back into use (target 35 properties p/a). This included the first use of the Council's compulsory purchase order powers to take action on empty properties, which resulted in two long term empty homes being acquired in May 2015, these properties have now been fully refurbished and are being marketed for sale.
- 1.2 The emerging policy has been developed to reduce duplication of effort by different service areas of the Council in their work on empty properties and to take advantage of changes to the statutory tools available to the Council to deal with nuisance empty properties. Significant changes include the proactive involvement of the Empty Property Officer on homes empty from 6 months, more effective sharing of data, a stronger approach to fraud identification and a new approach to prioritising properties for targeted action.
- 1.3 This empty residential property policy will be subject to Single Member Decision after 14th March 2018.

2 RECOMMENDATION

The Panel is asked to;

- 2.1 Note and support the changes to the Council's Empty Residential Property Policy found as Appendix 1 to this report.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 The Empty Residential Property Policy has been developed with an emphasis on making more efficient use of Council resources by reducing duplication of effort across the different service areas that have an involvement in empty properties..
- 3.2 Work on bringing empty properties back into use has a direct and positive bearing on the level of New Homes Bonus received by the Council This is calculated on the basis of the net yearly change in the number of empty properties on the Council Tax database. To date the work recovering empty properties has generated around £843k of income through the New Homes Bonus Funding. In addition the identification of unregistered empty properties will enable the Council to ensure that the 150% Council Tax requirement is correctly administered.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 An Equalities Impact Assessment has been carried out for the Empty Residential Homes Policy.
- 4.2 The policy now promotes engagement with empty property owners at 6 months, in order to identify how the Empty Property officer can support elderly and vulnerable empty property owners who are struggling to deal with the complexities of bringing their property back into use. The primary focus of the empty Property Officer's intervention has been shifted from the empty property to the individual that owns it. Tailored, person-centered support can then be offered to enable the owner to resolve the situation themselves.
- 4.3 Empty properties are frequently targets for anti-social behaviour and crime as well as being an environmental nuisance to neighbours and the wider community. The policy proposes to use new statutory powers around Community Protection Notices to force engagement with owners of problem empty homes who are reluctant to talk to the Empty Property Officer, as well as continuing to use existing legal routes to enforcement.

5 THE REPORT

5.1 Key Facts on Empty Properties in Bath & North East Somerset:

- i. Properties empty for more than 6 months in B&NES (as at 25/01/18) = 587 (Council Tax records) (Note does not include second homes or properties empty because people are in residential care)
- ii. Empty Property Officer's 'Active cases' list of properties empty for > 2 years (including properties taken out of council tax banding and not counted in figures above) = 153
- iii. New Homes Bonus income generated to Oct 2011/12 - 2017/18 = £843,000
- iv. Empty homes bought back into use April 2016 - Dec 2017 = 98

5.2 Principle changes in policy direction and activities around bringing empty properties back into use

- i. Earlier Intervention – taking a proactive approach by engaging with empty property owners at 6 months not 2 years, offering practical and financial support to prevent properties from becoming long term empties.

Whilst it is acknowledged that a majority of these shorter term empties (6-24 months) will be bought back into use without the need for intervention, early engagement is seen as a way to identify and support potential empty property owners who are overwhelmed by the issues of dealing with an empty property. Early contact with property owners can also serve as a warning about the penalties associated with deliberately holding a property vacant.

- ii. Community Protection Notices – introducing the use of CPN and formal Warning Letters to force engagement with owners of nuisance empty properties. This option for enforcement action was introduced in the Anti-Social Behaviour Crime and Policing Act 2014 to help address nuisance that is having a significantly detrimental effect on the community. CPNs are being used with good effect by other local authorities to tackle problem empty homes, who report a 95% success rate in terms of engagement and compliance.
- iii. New processes for close cross-service working, primarily with Council Tax, preventing the duplication of work and maximizing income generation . By aligning the work of the Empty Property Officer with the work of Council Tax Enforcement Officers we can maximize the New Homes Bonus return, identify and investigate Council Tax fraud (wrongful claim of Single Persons Discount and non-payment of the Empty Property Premium) and ensure correct and consistent data on empty properties is being recorded and reported.
- iv. Targeting action on empty properties that can be used in the delivery of affordable rented housing. This will be done through identifying suitable properties and grant funding Registered Providers to acquire properties, with appropriate enforcement action to ensure the sale if required.
- v. Work on empty homes will now include annual reviews of empty properties exempt from Council Tax and not currently offered any empty property services, beginning with Class E exemption for people in nursing, residential or hospital care. Working with Council Tax and Client Finance colleagues, we will endeavour to identify properties whose owners have moved into long term care facilities with no provision made for managing the empty property or bringing it back into use.
- vi. Empty properties that are the cause of nuisance or significant complaint or are considered as an appropriate addition to the affordable housing supply will be prioritised using a RAG (red, amber, green) system. Individually tailored Empty Property Action Plans will be created for each of the cases that meet the Red criteria. These plans will include any or all of the following:
 - Options for bespoke practical or financial support
 - Options for Enforcement Action
 - The case for subsidised purchase to meet housing need

6 RATIONALE

- 6.1 The updated Empty Residential Property Policy makes use of new legal powers that have been demonstrated by other Council's to significantly improve engagement with owners of problem empty properties.
- 6.2 Early intervention with empty property owners is a proactive approach to preventing long term empties, particularly focussing attention on those owners who are less able to bring a property back into use without support.
- 6.3 A more joined up approach on action on empty properties across the Council can generate income and makes better use of resources.

7 OTHER OPTIONS CONSIDERED

- 7.1 None

8 CONSULTATION

- 8.1 Development of this policy relied on discussion and consultation with colleagues in Council tax, Environmental Protection, Building Control, Conservation, Private Housing as well as neighbouring Council's Empty Property Officers.
- 8.2 This policy was discussed and supported by Informal Cabinet on 12 Feb 2018.

9 RISK MANAGEMENT

- 9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

Risk assessments on individual empty properties will be carried out as appropriate as part of work leading up to enforcement action.

Contact person	<i>Louise Davidson 01225 477658</i>
Background papers	<i>List here any background papers not included with this report, and where/how they are available for inspection.</i> <i>Adopted Empty Homes Policy 2013 can be found at No Use Empty Bathnes</i>
Please contact the report author if you need to access this report in an alternative format	

Taking Action on Empty Homes:

Bath and North East Somerset Council's Empty Residential Property Policy 2018



Contents

Introduction	- 5 -
Identifying empty residential properties and contacting their owners	- 7 -
Monitoring and Prioritising empty properties	- 8 -
Action on empty properties.....	- 9 -
Partnership and Cross-Authority working	- 11 -
Strategic Direction for Empty Property Work.....	Error! Bookmark not defined.
Appeals	- 14 -
Appendix 1: RAG Prioritisation Criteria	- 16 -
Appendix 2: Empty Property Action Plan.....	- 17 -
Appendix 3: Empty Property Inspection Sheet	- 19 -
Appendix 4: Cross-service Enforcement Legislation.....	- 21 -
Appendix 5: Class E Exemption annual review process.....	- 22 -

Why take action on empty homes?

Bath and North East Somerset Council is committed to bringing residential empty properties back into use in response to the negative impact unoccupied homes have on our communities.

Empty Properties:

- **Are a waste of a valuable resource**
- **Can devalue and damage neighbouring houses**
- **Can be a magnet for anti-social behavior and criminal activity**
- **Have a detrimental impact on the surrounding community**
- **Are a drain on public services**

Efforts are being made across Bath and North East Somerset Council to meet housing demand and put the needs of our communities at the forefront of what we do as a Local Authority. Empty Property work represents an important and progressive part this.

Cover image: before and after pictures of 10 Wellington Buildings, Compulsory Purchased by Bath and North East Somerset Council in 2017

Introduction

Bath and North East Somerset has a growing housing need, and in this time of budgetary pressures, unoccupied houses are a wasted resource we cannot afford. They can also be a financial drain on public services when, for example, they require intervention by Environmental Protection, Building Control and the Police.

Furthermore, the Council is proud of Bath's World Heritage status and we want to protect our historical buildings and conservation sites from the degenerative impact empty, decrepit and sometimes derelict buildings can have on our landscape.

This Empty Residential Property Policy heralds a stronger, collaborative approach between different service areas of the Council, working together to effectively tackle the problem of empty properties across the District with a drive to support delivery of the Corporate priorities identified in the Council's 2020 Vision:

- A strong economy and growth – bringing empty homes back into use contributes to delivering strong, thriving and successful communities.
- A focus on prevention – early intervention on empty properties prevents escalation of the negative impact empty homes can have on their environment and reduces the level of intervention required by the Council in the longer term.
- A new relationship with customers and communities – this policy delivers an approach that identifies and actions the appropriate interventions for individual empty property owners and their circumstances.
- An efficient business

The Empty Residential Property Policy is held within Housing Services. Its delivery contributes towards the action plans and targets of the Community Regeneration Plan and the Place Directorate Plan, although action on empty properties is also a service delivery issue for other Service areas across the Council. This policy identifies ways these different service areas can work together to reduce duplication of effort and save resources, whilst delivering an effective approach to bring empty homes back into use.

Empty Residential Property Policy 2018 FINAL DRAFT FOR CONSULTATION

This policy sets out the potential benefits gained by bringing empty properties back into use. These include:

Meeting local housing demand

Contributing to supply of affordable housing

Reducing anti-social behaviour & crime which empty properties often attract

Reducing the detrimental impact of poorly maintained empty properties

Preserving our architectural heritage and helping improve & regenerate neighbourhoods

Providing cross-service benefits both within the council & with external partners

Contributes to meeting the Council's key strategic agendas

Generating income via the New Homes Bonus

increase council tax revenue through identification of empty dwellings & empty property fraud

Identifying empty residential properties and contacting their owners

Empty residential properties will be brought to the attention of Housing Services in two ways:

1. Council Tax will send a quarterly list of properties that have been empty for six months and a monthly list of those that have been empty for two years. The owners of these properties will be sent a letter offering advice and information.

For those properties that have been empty for six months, the letters will include:

- Information on the financial incentives and support available.
- The reasons we take action on empty properties.
- A warning regarding the 50% increase to their council tax if they leave the property empty for two years.
- Their duty to update the Council regarding whether the property is still empty or has been brought back into use.

For those properties that have been empty for two years, the letters include:

- Confirmation that an additional 50% has now been added to their Council Tax bill.
- Confirmation from owner of the property's occupancy status.
- A request for a progress report on their efforts to bring the property back into use, including timeframes for completing renovations, court proceedings and planning applications.
- A reminder of the financial and practical support available.

For further information on Council Tax rules for Empty Properties visit:

<http://www.bathnes.gov.uk/services/council-tax-benefits-and-grants/council-tax>

2. Reports or complaints about empty properties. Once received, the following action will be taken:
 - Where the property is unknown then a visit will be made to establish its occupancy status and condition. Where appropriate, statements from neighbours will be taken regarding the detrimental impact the property is having on the neighbourhood and the history of its occupancy.
 - The owner or responsible parties will be identified and informed that a complaint has been made. Their intentions for the property will be established and assistance will be offered to bring it back into use.
 - Any Council services already involved will be contacted and referrals to additional teams or partner agencies will be made where appropriate.
 - Options for enforcement action will be considered if the property is in the highest priority group (see below), and initiated where appropriate.

- Council Tax will be alerted where discrepancies are found in Council records indicating intentional fraud or accidental non-payment of Council Tax. Amended bills will be produced.

Reports or complaints can be made directly to the Empty Property Officer or via the No-Use-Empty website:

<http://www.bathnes.gov.uk/services/housing/no-use-empty>

Monitoring and prioritising empty properties

Actionable properties:

Actionable properties are those that have been unoccupied for 6 months or more.

Priority:

Priority properties are those from the actionable group with any of the following:

- Properties that have generated a complaint from the public.
- Properties that have been judged as suitable for use as affordable or social housing (via a subsidised purchase agreement between Housing Services and a registered provider).
- Subject to enforcement action from any Council service.

Priority cases will be subject to a visit from the Empty Property Officer and given a further Priority Rating using a RAG (Red, Amber, Green) system (see appendix 1 for criteria).

Empty Property Action Plans will be created for each of the cases that meet the Red criteria. These comprehensive plans for bringing these properties back into use will include any of the following:

- Options for bespoke practical or financial support.
- Options for Enforcement Action.
- The case for subsidised purchase to meet housing need.

The action plans will be reviewed annually, with budget attributed to the cases selected for that financial year.

Action on residential empty properties

Advice, assistance and incentives available to Empty Property owners:

Financial incentives via Wessex Loans and Professionals Fees Grants (subject to budget availability).

Guidance for navigating the planning application process and conservation requirements for buildings.

Information on renovating, renting or selling the property.

Liaising with other Council Services, Ward Members and MPs on behalf of the owner as a result of complaints generated by the Empty Property.

Support with the arrangement of house clearance and support with obtaining builders quote and valuation.

Support with resolving neighbour disputes and improving relationships in the immediate community, allowing redevelopment to progress.

Support with the arrangement and coordination of open house viewings from interested purchasers.

VAT reduction or exemption letters.

Financial assistance:

Financial assistance, where available, will be detailed under the Decent Homes Policy. These include Wessex Empty Homes Loans and Small Works Grants.

Wessex Loans

Empty Homes Loans (minimum £500 to maximum £30,000) are available to:

- The owners of houses that have been empty for 2 or more years.
- Properties that have been given priority status.

For more information on the terms and conditions on these loans please visit: www.wrcic.org.uk and/or speak to the Empty Property Officer.

Small Works Grant

Grants up to £500 can be available to properties classified as empty under the Empty Property Policy to finance works in order to make the property saleable or rentable. Eligible works include, but not limited to:

- Clearance of house or garden.
- Gas Safety Certificate.
- Electrical Safety Certificate.
- Installation of hard wired fire alarm system.
- Works to remedy Category One hazards.
- Pre Apps for listed buildings (up to £500).

Any works must be agreed in advance by the Empty Property Officer. The grants will be conditional. Where the owner fails to adhere to the terms of the grant, the Council will recover the grant from the owner.

VAT Relief

The Empty Property Officer can supply a letter of evidence to the owners of which will entitle them to VAT relief. In accordance with current regulations set by HM Custom and Excise, renovations carried out on residential properties that have been empty for 2 years or more, will only be subject to 5% VAT. Properties empty for 10 years or more will be VAT exempt. This does not usually cover work carried out on DIY basis, only renovations done via a contractor.

Options for housing-led formal enforcement action include:



- In cases of Statutory Nuisance Housing Services may take low level enforcement action and serve a notice to require remedial works under the Housing Services Enforcement and Licensing Policy. Higher level enforcement action (as detailed above) may be taken where there is a significant health and safety impact on resident neighbours. The Empty Property Officer will be able to issue Community Protection warning letters, the initial stage of the high level enforcement action, the Community Protection Notice. These are a new tool to Housing Services which can lead to prosecution and are being introduced via the Empty Property Policy.

Enforcement action with significant financial implications will only be taken following a single member decision by the Cabinet Member with responsibility for Economic and Community Regeneration

Cross- service enforcement action

Collaborative enforcement action will be initiated by the Empty Property Officer as part of the Action Plan for bringing the highest priority properties back into use. Complaints from the public about empty properties will be forwarded to other

services for action where appropriate. The legislative framework for enforcement action on empty properties by different services can be found at Appendix 4.

Partnership and cross-Authority working

The role of the Empty Property Officer is primarily to case manage the process of bringing actionable Empty Properties back into use. S/he will act as the single point of contact for both the owners of empty properties and individuals who have been negatively impacted and subsequently involved with council services.

The Officers' role also involves coordinating the internal services listed below, with the aim of stopping duplication and identifying opportunities for partnership working wherever possible. This collaborative approach to taking action on empty properties will ensure the public gets the most effective and efficient service possible while supporting both internal services and external partners to meet their specific professional agendas.

We will share best practice examples, and work collaboratively with neighbouring local authorities to manage cases where there is a mutual interest.

Services Relevant to Empty Properties:

Building Control Services

Any empty property identified as being a potentially Dangerous Structure will be referred by the empty Property Officer to the Building Control Team for assessment. Enforcement action on empty property can be actioned where appropriate supported by the Empty Property Officer. Renovation work carried out to bring empty properties back into use will also be subject to assessment by Building Control.

Planning Enforcement

Complaints relating to Empty properties where the exterior condition of the land or building has deteriorated to an unacceptable state and is having a detrimental visual impact on the surrounding area will be referred to Planning Enforcement. In these cases, maintenance under the provision of Section 215 can be requested as part of an Empty Property Action Plan to bring the property back into use. In some cases, enforcement action can be escalated following a 215 and can potentially lead to a forced sale.

Housing Standards and Improvement

The Empty Property Officer will advise owners considering privately renting out their empty properties (either to single households or as Houses of Multiple Occupation), that the properties will be expected to meet legal requirements. The benefits of letting a home as an HMO will also be explained and that the property may require an HMO Licence. Enforcement officers can advise on legal requirements and signpost potential landlords to relevant information. Where an empty property is impacting significantly on the housing conditions of neighbouring properties,

enforcement officers will work with the Empty Property Officer to seek to remedy the problem.

Environmental Protection

Empty Properties that generate complaints regarding the land (i.e. allegations of rodent infestations, waste accumulation, garden overgrowth etc.) rather than the integrity of the building itself, may be referred by the Empty Property Officer to The Environmental Protection Team for full investigation. Enforcement Officers from the Environmental Protection Team will in turn, monitor and report empty properties to the Empty Property Officer.

Council Tax

The Empty Property Officer will work collaboratively with Council Tax to identify and investigate Empty Property Council Tax fraud and generate income in increased Council Tax payment and from the New Homes Bonus. Working together to take action on Empty Properties will prevent duplication and save resources.

Planning and conservation – listed buildings

The Empty Property Officer and Planning and Conservation Team will work together to assist and motivate the owners of listed High Priority empty properties (List of Buildings of Special Architectural or Historic Interest, Planning Act 1990) to bring them back into use. Advice and guidance regarding the Council's pre-application service and the benefits of doing one will be available on the No-Use-Empty website. The council may offer grants to cover the cost of Pre Apps that are under £500 to the owners of empty listed buildings.

Client Finance

A joint annual review of all properties with a Class E Council Tax exemption will allow empty property owners who have gone into long term residential or nursing accommodation to be identified. Support and guidance for bringing the property back into use or help devising a strategy for its management so neighbours are not impacted will then be offered. If Power of Attorney has not been awarded to anyone, or they have lost capacity without deputyship being given, intervention from the Empty Property Officer could stop problematic empty properties getting stuck in the probate process.

External partners and services:

Registered Providers

When an empty property has been identified as being of strategic value to meeting a local housing need, the Affordable Housing Fund can be used to subsidise a purchase or rental/management arrangement of the property by a Registered Provider.

West of England Care and Repair (WCR)

West of England Care and Repair are a Home Improvement Agency helping people over 60, vulnerable and disabled people and people on low incomes. They are currently contracted by the Council to carry out works in Default on empty properties. Costs incurred for these works may be recovered via Enforced Sale Proceedings.

We also work closely with Wessex Loans to help administer funding where eligible and offer a project management service that combines technical Building Surveying with support and advice.

For more information: www.wecr.org.uk/

DHI Home Turf Lettings (HTL)

HTL can provide owners of empty properties with interest free loans to finance refurbishment with the condition that, following completion, the property is leased by them at a Local Housing Allowance rent for at least 5 years. HTL can also provide project management for the refurbishment of empty properties and leasing services with a guaranteed rent.

For more information: <http://www.hometurflettings.co.uk>

Strategic direction for empty property work

The strategical direction for empty property work consists of five main strands, as follows:

Enabling

We will bring an Enabling perspective to Empty Property work by identifying unoccupied properties that are strategically valuable to delivering Affordable Housing in Bath and North East Somerset. This will be done by incorporating a property's potential to be used as Affordable Housing as a criterion in the prioritisation process and awarding extra priority to those properties.

Promotion

Utilising promotional resources such as info-graphics, leaflets, press releases and social media, we will target a) the general public, to encourage the reporting of empty properties, and b) empty property owners, to publicise the support and incentives available.

Encouraging people to report empty properties in their communities we hope to mitigate any potential disincentive for empty property owners to inform the local authority when their property becomes empty that may arise from the introduction of the PREM50 (additional 50% Council Tax levy on properties empty for two years).

Widening the scope of involvement

Taking action on empty properties will involve strengthening our relationships with Ward Members and Parish Councils by working collaboratively in responding to complaints raised by their constituents, and involving them where appropriate in the action plans created for the highest priority properties.

New Homes Bonus (NHB) and Income Generation

Taking action on empty properties will continue to generate income above and beyond the financial savings that direct work with empty property owners achieves. The work will contribute to the income generated via the New Homes Bonus by

ensuring the figures in the Empty Property Return (on which part of the grant amount is calculated) are accurate.

Every October, the number of net additional dwellings created in BANES over the previous 12 months is used to calculate the award of NHB. £1,543 is awarded for each Band D Equivalent new home above a baseline with an additional £350 per affordable home delivered.

Council Tax generation

The Empty Property Officer will take a lead in identifying homeowners who are committing council tax fraud.

The main fraud cases, in regard to empty homes are:

- Homeowner claiming 25% single persons discount, on a vacant property
- Non-payment of the 50% empty home premium
- Homeowners falsely claiming Second Home status on empty properties

By identifying these cases so council tax accounts can be corrected, the empty property officer will generate a significant amount of additional revenue for collection.

Complaints, comments and appeals

Bath and North East Somerset Council is committed to providing a quality service. To help us we welcome comments, suggestions, feedback, complaints and compliments from anyone to whom we provide a service.

We want to provide good quality services but sometimes things can go wrong. If this happens we need to know so that we can put it right and learn from the experience. In the first instance please speak to the Team Manager (Enabling & Development) who will try to resolve the concern. Alternatively or if not satisfied with the response the Council operates a complaints policy is available through our website.

<https://www.bathnes.gov.uk/form/complaints-make-complaint-online>

To appeal against a decision made under this policy, please contact the Team Manager (Enabling and Development). An appeal must be made in writing within 28 days of the decision and set out the reasons why the person wants the decision changed and provide supporting evidence.

By phone: 01225 396444 or by email: Housing@bathnes.gov.uk or online: www.bathnes.gov.uk or writing to us at:

Housing Services

Appendix 1: RAG Prioritisation Criteria

RED

- The Council has made numerous attempts to engage with the owner, all reasonable offers of assistance have been made to the owner and these offers have not been acted upon.
- There is no prospect of the house being brought back into use by the owner within a reasonable time period.
- There is a housing need and/or the property is causing a significant problem in the local neighbourhood.
- A cost-benefit analysis demonstrates that enforcement action is both financially viable and appropriate.

AMBER

The property is slowly moving forward in the process of being brought back into use and includes one or all of the following factors:

- The owner is engaging and/or being supported by the Empty Property Officer.
- The redevelopment requires planning permission or listed building consent and the owner would benefit from support through this process.

GREEN

Action is underway to bring the property back into use and no further involvement from the Empty Property Officer except monitoring is necessary. This may be because, but not limited to:

- The property on the market and the owner is willing to sell.
- The property is going through probate.
- A Demolition Notice has been issued.
- Leasing or other occupancy arrangements are being negotiated.

Appendix 2: Empty Property Action Plan

Property details	
Empty Property Address:	Owner name:
	Tel:
	Email:
	Address:
Empty Since:	
Property history: (including Council Tax banding)	
Time line of Council involvement and action taken:	

Proposed actions to bring the property back into use:	
Responsible Officer: Title:	Date:

Appendix 3: Empty Property Inspection Sheet

To be added

Appendix 4: Cross-Service enforcement legislation

Building Control: Dangerous structures:

Section 77 & 78 of the Building Act 1984

<https://www.legislation.gov.uk/ukpga/1984/55>

Unsecured properties

Section 29 of the Local Government (Miscellaneous Provisions) Act 1982

<http://www.legislation.gov.uk/ukpga/1982/30>

Breach of building regulations

Section 35 & 36 of the Building Act 1984

<https://www.legislation.gov.uk/ukpga/1984/55>

The Building Regulations 2010

<http://www.legislation.gov.uk/uksi/2010/2214/contents/made>

Planning Enforcement: Town and country Planning Act Section 215

www.legislation.gov.uk/ukpga/1990/8/section/215

Housing Standards and Improvement: Housing Act 2004

<https://www.legislation.gov.uk/ukpga/2004/34/contents>

Environmental Protection: Environmental Protection Act 1990

<http://www.legislation.gov.uk/ukpga/1990/43/contents>

Anti-Social Behaviour and Crime and Policy Act 2014

<http://www.legislation.gov.uk/ukpga/2014/12/contents/enacted>

Planning and Conservation: Planning (Listed Buildings and Conservation Areas) Act 1990
Section 54

<https://www.legislation.gov.uk/ukpga/1990/9/section/54>

Council Tax: The Local Government Finance 2012

<http://www.legislation.gov.uk/ukpga/2012/17/contents/enacted>

The Council Tax (Administration and Enforcement) Regulations 1992

<https://www.legislation.gov.uk/uksi/1992/613/contents/made>

Appendix 5: Class E Council Tax Exemption - annual review

Class E Council Tax exemption is given when a property is left unoccupied because the resident has gone in to hospital or a care home. The resident must be in the hospital or the care home for so long that their home can no longer be seen as their main residence.

Aims of the review:

- To identify and engage the owners of problematic empty properties with a view to offering them support and guidance for bringing it back into use (leasing, guardianship, selling,) or devising a strategy for its management so neighbours are not impacted.
- Income generation - identifying cases where the financial contribution for care provision being charged to the home owner, was calculated without Client Finance knowing about the empty property.
- To identify properties already subject to Deferred Payment Agreements (DPA) but not being maintained (potentially generating complaints from neighbours) so contravening the condition regarding ongoing maintenance of the property in the DPA. This could lead to the Council ultimately not be able to recoup the money owed, as the property has lost value due to disrepair.
- To identify cases in which the owner has not given power of attorney to anyone and lacks the ability to bring the property back into use or manage it sufficiently. To identify cases in which the owner has lost capacity and there has either been no deputyship given or the empty property was not known about.

Process:

1. Class E exemption data will be sent from Council Tax to the Empty Property Officer annually on April 1st
2. Class E data will be cross referenced with the Empty Property Officer's Active Cases List, and forwarded to Angela Cox in Client Finance for cross referencing
3. Each case will be reviewed individually by Empty Property Officer, and jointly in cases identified for action by Client Finance
4. Client Finance will advise the Empty Property Officer of cases appearing in the report that have an existing DPA . The empty Property Officer will then identify any properties causing problems due to not being adequately maintained as specified in the DPA.
5. If the client has not advised Client Finance that they own the property, the client will be offered a DPA. In those instances where the DPA is refused the client will be considered as self-funding and charged the full amount of their care.

6. In cases where it has been identified that the client lacks capacity and a Deputy is not in place, the Council will look into arranging one. This may be a family member, solicitor or panel deputy.

This page is intentionally left blank

Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Planning, Housing and Economic Development Policy Development & Scrutiny Panel	
MEETING/ DECISION DATE:	14 March 2018	EXECUTIVE FORWARD PLAN REFERENCE:
TITLE:	Affordable Housing Delivery in the Bath Enterprise Zone	
WARD:	Westmoreland, Kingsmead, Abbey (has implications for all Bath wards)	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendix 1: The Bath Enterprise Zone		

1 THE ISSUE

- 1.1 The Enterprise Zone (EZ) in Bath has been designated as an area for economic delivery and employment growth to 2035, comprising the delivery of around 11,000 new jobs and includes the development of some 3,500 new homes.
- 1.2 The job creation work in the EZ will be creating a new housing market. The proposed delivery of 3,500 homes within the EZ is an opportunity to target delivery to address this emerging housing demand, creating an appropriate housing offer to enable people to live and work in the City.

2 RECOMMENDATION

- 2.1 The Panel is asked to note the current housing situation in the EZ and the steps being made to help address housing need to support the delivery of a vibrant and economically sustainable City, whilst continuing to meet general affordable housing need in Bath.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 The Enterprise Zone designation allows for the Council to retain 100% of Business Rates
- 3.2 The Council is actively working as land owner and lead developer within the EZ to ensure control over delivery of key mixed use sites at Bath Quays North, Bath Quays South and Bath Riverside and has land interests in other major sites in the City.

- 3.3 The Council is aiming to maximise Government funding opportunities to help unlock and accelerate delivery of new homes in the City.
- 3.4 Exceptionally high market values for homes in the City mean that the levels of subsidy required to deliver traditional forms of affordable housing far exceed the nationally accepted levels of funding dictated by Homes England (formerly Homes and Communities Agency), which creates a significant problem when applying Value for Money justifications on bids by our housing association partners. Completion for land within the EZ for competing land uses further compounds this.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 Housing delivery in the EZ and the wider city needs to both address the affordable housing needs of the current community, which will include the needs of vulnerable, single people, older people and families with children, as well as addressing the emerging, future housing need generated by the new employment offer in the City.
- 4.2 The adopted Core Strategy Affordable Housing policy, CP9, requires residential developments to deliver 40% affordable housing in line with the Planning obligations SPD. Delivery is subject to the requirement for AH not rendering the development unviable.
- 4.3 The Councils adopted Placemaking Plan defines land use options and identifies the sites prioritised for economic uses. 2000 homes, the largest number in the EZ are consented at BWR. The remaining comprises smaller allocations within mixed use schemes where the policy driver is economic growth.

5 THE REPORT

- 5.1 In 2016, the Council commissioned Cushman and Wakefield to undertake a review of housing demand in the EZ based on the profile of the emerging employment offer and the likely incomes generated against housing costs. This review is helping to shape the nature of delivery proposed on Council-led developments. It suggested that:
- a) Two thirds of the jobs being created in the EZ will be Higher Level Occupations (ONS classification) an employment base of people who would usually be looking to buy their own home.
 - b) Over 4,500 homes will be needed to meet the housing demand from the 11,000 new jobs.
 - c) The greatest likely rented demand will be for 2bed properties (35%) and 1bed properties (25%) but the likely market sale demand will be for 3bed properties (36%)
 - d) 45% of jobs in the EZ will generate an income under £25,000, another 23% between £25 and 35k
 - e) For *dual* income households, 69% of households working in the EZ can afford to buy an average priced 1 bed property, 47% an average 2 bed property and only 16% a 3 bed.

- f) For rental properties, 96% dual income households can afford to rent a 1 bed home, 44% a 2 bed and 24% a 3 bed.
- g) For single person households, both renting and owner occupation are unaffordable for all but those earning in excess of £42,000.

(2) The Council's Homesearch Register can show us details of households who have expressed a particular need or desire to live within the City¹

	Priority Banding	1 bed	2 bed	3 bed	Total
General needs	Group A	20	7	6	33
	Group B	39	9		48
	Group C	243	66	12	321
Sheltered	Group A	1			1
	Group B	3			3
	Group C	10	1		11
Grand Total		316	83	18	417

5.2 Affordability in the City is a significant challenge. The cost of buying or renting a home is one of the highest in the Country outside of London and is the highest in the West of England.

5.3 Delivering a wide range of affordable housing options is vital to securing the success of the Enterprise Zone as potential employers looking to locate in the City will be considering the housing options and the scale of the local employment base as a key factor in their decision making. This means that as well as delivering homes to meet a traditional affordable housing need, the Council needs to look at ways of delivering affordable housing products targeted at individuals, couples and families working or looking to work in the City. This supply will also support current major employers, such as the RUH and even the Council, for whom local house prices can be a major impediment to the recruitment and retention of staff.

Data from Hometrack² for house sales between July and December 2017 shows average house prices as:

	Kingsmead Ward	Westmoreland Ward	Abbey Ward
1 bed Prices (Flat)	1,048,000	212,667	349,375
2 bed Prices (Flat)	301,969	480,000	479,375
2 bed Prices (House)	359,200	292,053	Not Available
3 bed Prices (House)	455,375	372,969	491,667

¹ The banding on Homesearch relates to whether someone needs to move home or if they are choosing to do so. Bands A & B are priority groups where an applicant's current housing situation is considered unsatisfactory and they need to move home to meet their household's specific needs or where they are under-occupying existing social housing stock.

² Hometrack is an independent, online housing market data resource

	Affordability based on households disposable incomes	Lower quartile house price to income ratio	Cost of Renting an average 2 bed property
Kingsmead	10:01	14:01	265
Westmoreland	11:01	16:01	229
Abbey	11:01	15:01	265

This table demonstrates the income to price ratio for the average house price in the wards and the average 2 bed rent.

5.4 Delivering affordable housing through Planning Policy CP9 within the Enterprise Zone and the wider city area can be a challenge due to viability, but there are currently developments with a total AH provision of 107 units with planning, or under construction, in 5 locations:

- (1) Roseberry Place – 51, 1 and 2 bed apartments for intermediate rent being delivered between 60% and 80% of market rent levels and will be targeted towards younger working households in the City, as well as offering the opportunity for the 2 bed units to be let as shared housing for 2 individuals.
- (2) 5 Discounted sale 'micro homes' at the site of the former Banglo Pub on Lower Bristol Road (25% discount from OMV)
- (3) 13 Discount sale market flats for sale at the Onega Centre site on Upper Bristol Road Road (35% discount from OMV)
- (4) 4 flats for social rent as part of a mixed student and PRS flats at Midland Road, behind Argos on Upper Bristol Road.
- (5) 25 units for social rent and 9 for shared ownership equating to a 14% AH provision at Bath Press, following independent scrutiny of development viability.

5.5 Phase 1 at Bath Riverside delivered 205 rented and shared ownership homes, which met the 25% affordable housing provision of the policy at the time of consent (2010), which completed by March 2016. These homes were delivered with significant levels of public subsidy due to the severe viability constraints on the site. The Council and the HCA each invested over £6.5m to secure delivery, with an average grant rate of £100,000 for a rented home and £50,000 for a shared ownership home. These rates of subsidy are no longer available to our housing association partners to secure delivery on high value sites.

5.6 All sites within the EZ can be classified as regeneration projects with significant infrastructure and existing uses impacting value and delivery. Viability remains a major impediment to the delivery and this typically impacts provision of affordable housing. Quays North and South sites fall into this category where the value of the residential elements is ensuring the delivery of the employment uses and meeting costs of infrastructure. On Bath Riverside, land assembly, gas holder decommissioning, decontamination, relocation of the waste transfer station and recycling centre are all significant costs that impact upon scheme viability. The levels of historic direct subsidy for affordable housing delivery are no longer sustainable, so the Council is working to secure capital finance through a number of possible grant/funding mechanisms;

- (1) Bath Quays £7.5m Homes England Accelerated Delivery Fund
- (2) Bath Riverside £12.6m Homes England Housing Infrastructure Fund: Marginal Viability
- (3) Bath Riverside £7.5m Accelerated Delivery Fund specific to relocation and remediation of recycling centre
- (4) Growth Deal - £10M initial land purchase funding within the EZ

5.7 These significant capital funding streams will help to meet the costs that otherwise render the sites unviable for affordable housing delivery, and work has now started to explore mechanisms to ensure that these sites can now be used to address the housing needs of the EZ.

5.8 As other sites come forward in the City, planning policy CP9 will continue to be robustly applied to maximise delivery of affordable housing. Emerging proposals to prevent office to residential development under Permitted Development Rights will require any future applications to deliver affordable housing and through the JSP, new approaches to viability testing and the use of subsidy for unviable sites, will be introduced to support delivery wherever possible.

6 RATIONALE

6.1 No recommendations made

7 OTHER OPTIONS CONSIDERED

7.1 None

8 CONSULTATION

8.1 This report comes about through joint working within Community Regeneration and with colleagues in Property Services

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

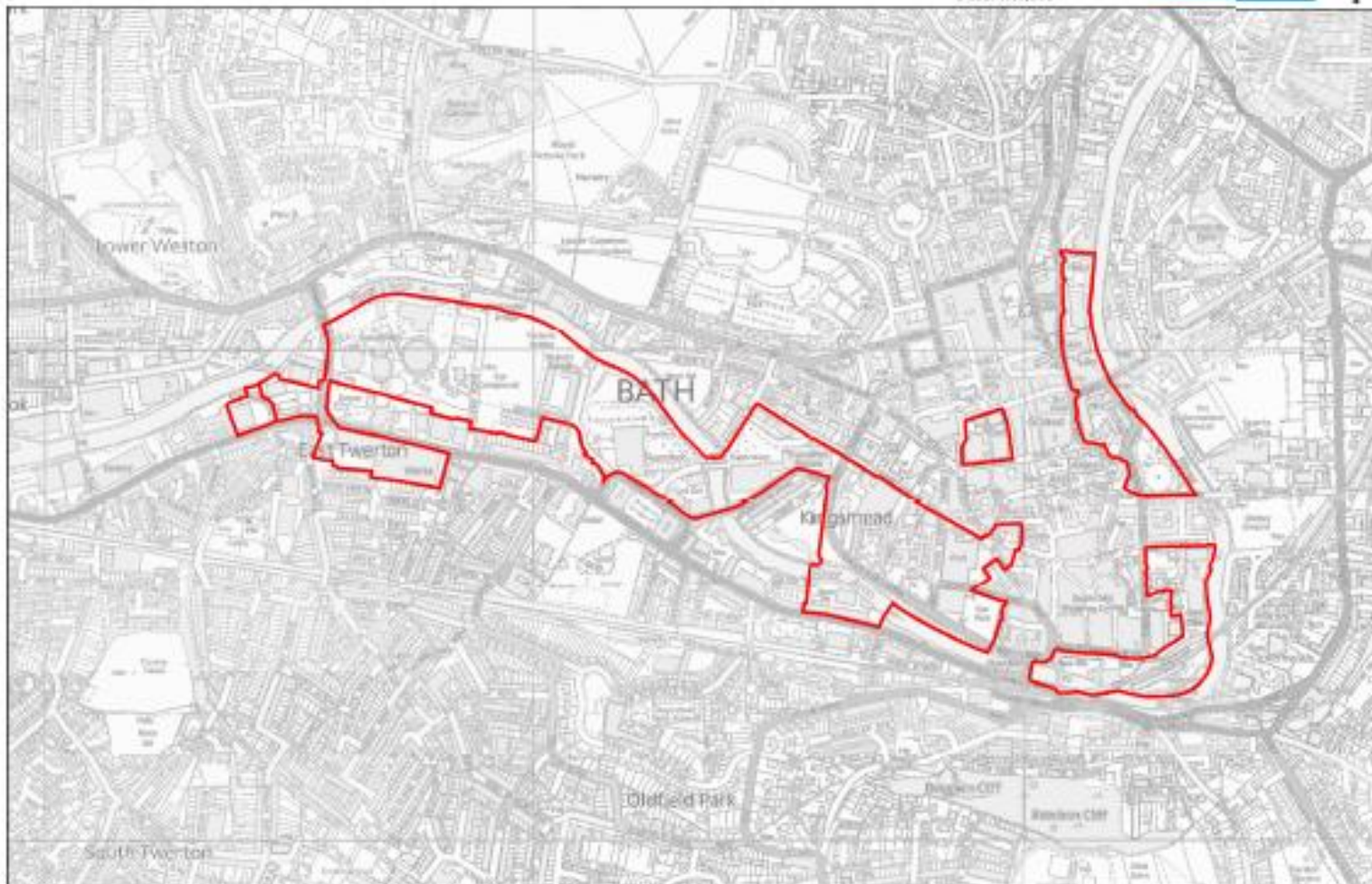
Contact person	<i>Louise Davidson, Team Manager (Enabling and Development) ext 4768 Simon Martin, Programme Director – Bath Enterprise Area ext 7407</i>
Background papers	<i>List here any background papers not included with this report, and where/how they are available for inspection.</i>
Please contact the report author if you need to access this report in an alternative format	

Appendix 1: Bath Enterprise Zone

Bath and Somer Valley Enterprise Zone: Bath City Centre & Riverside

Author: Planning Policy
Date: 22/07/2015
Scale: 1:10,000

Bath & North East
Somerset Council



Reproduced from the Ordnance Survey mapping with the permission of the Controller of Her Majesty's Stationary Office © Crown Copyright. Unauthorised reproduction infringes Crown copyright and may lead to prosecution or civil proceedings.

License number 100022334



Bath & North East Somerset Council		
MEETING	Planning, Housing & Economic Development Policy Development & Scrutiny Panel	
MEETING DATE:	13 th March 2018	EXECUTIVE FORWARD PLAN REFERENCE:
TITLE:	Additional HMO Licensing Update	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendix 1: Additional HMO Licensing Consultation Document		

1 THE ISSUE

- 1.1 On the 12th June 2013 Cabinet resolved to designate an area, based around the wards of Oldfield, Westmoreland and part of Widcombe, as an additional HMO licensing area from 1st January 2014 to the 31st December 2018. In due course Cabinet will need to make a decision on whether to designate a new additional licensing scheme post 31st December 2018, and if so, in what locality and for what classes of House in Multiple Occupation (HMO).
- 1.2 Before a Council can designate an additional licensing scheme it is required to evidentially address a number of legal hurdles. Having reviewed the evidence Housing Services are of the view that there is indeed a realistic likelihood that these legal requirements can be met. As such Housing Services are about to go to public consultation on a proposed new additional HMO licensing scheme which would cover HMOs with shared facilities across the city of Bath.

2 RECOMMENDATION

The Panel is asked to;

- 2.1 Give its view on the proposal to designate an Additional HMO licensing area covering the city of Bath as detailed in the attached Additional Licensing Consultation Document.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 The cost of investigating the introduction of an Additional Licensing scheme is being met within existing resources. However, operating the licensing scheme can be fully recovered by charging landlords a licensing fee. The current fee varies between £600-£780 for a 5 year period depending upon size of property.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 The Housing Act 2004 increased Local Housing Authority's (LHA) abilities to regulate the private rented sector by introducing three forms of licensing, these being:

- Mandatory licensing of HMOs – applies to HMOs of 3 storeys or more, occupied by 5 or more people who are not a single household. This is currently subject to a Government review.
- Additional licensing of HMOs – allows LHA to designate all or part of their district to be subject to additional licensing for classes of HMOs specified by the LHA.
- Selective licensing – allows LHA to designate all or part of their district to be subject to the licensing of privately rented accommodation.

- 4.2 If the Council wishes to designate an area subject to additional HMO licensing then it will need to evidentially address the following five legal steps; these being that they:

- consider that a significant proportion of the HMOs of that description in the area are being managed sufficiently ineffectively as to give rise, or to be likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public;
- consider whether there are other alternative or additional courses of action available;
- must consult persons who are likely to be affected by the designation;
- be satisfied that the designation is consistent with its overall housing strategy;
- must take a co-ordinated approach in connection with homelessness, empty properties and anti-social behaviour.

5 THE REPORT

- 5.1 On the 12 June 2013 Cabinet resolved to designate an area, based around the wards of Oldfield, Westmoreland and part of Widcombe, as an additional HMO licensing area from 1st January 2014 to the 31st December 2018. Cabinet will need to make a decision on whether to designate another additional licensing scheme post 31st December 2018, and if so, in what locality and for what classes of HMO.

- 5.2 The primary purpose of licensing is to improve housing standards. It allows the LHA to ensure that conditions, amenity & fire safety standards comply with current legislative standards. As such the principle beneficiaries of licensing are tenants. However, some LHAs, including B&NES, have attempted to use the licence as a vehicle to improve the management of the property and to

respond to complaints by local residents about the appearance of properties and behaviour of tenants.

5.3 The current scheme has been beneficial in improving standards across the designated area by reducing significant hazards, addressing management failures and improving welfare conditions. This includes the improvement of around a third of licenced HMOs which did not meet the minimum statutory standard.

5.4 Housing Services evidence indicates that:

- The presence of housing health and safety hazards within HMOs located in the Bath City results in an adverse impact on the occupants.
- A significant proportion of service requests received by Housing Services over the last 4 years are from occupants of HMOs.
- There is general support by residents, and landlords for HMO Licensing within existing licensing area.
- There are significant concentrations of HMOs within many areas across the whole of Bath City.

5.5 As such Housing Services has been investigating whether the legal requirements to designate another additional licensing scheme can be met once the current scheme concludes on 31st December 2017.

5.6 The consultation document in Appendix 1 explains: why a further additional licence scheme is proposed; the design of the scheme covering the City of Bath; how it is consistent with our overall housing strategy; other options considered; and how it links with other housing related initiatives.

6 RATIONALE

6.1 Evidence gathered from a number of sources supports the conclusion that a significant proportion of HMOs in Bath City sharing one or more essential facilities are being managed sufficiently ineffectively as to give rise, or to be likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public.

6.2 The evidence considered includes:

- A recent Housing Stock Modelling Survey on the number of HMOs across Bath and level of hazards and disrepair;
- Housing Services data on the number of service requests from HMO occupants and from residents on the negative effect of HMOs in Bath; and
- A review of the existing Additional HMO Licensing Scheme in Oldfield, Westmoreland and part of Widcombe.

7 OTHER OPTIONS CONSIDERED

7.1 A range of alternative options have been considered including: targeted proactive enforcement; reactive house condition inspections and enforcement; voluntary initiatives; co-regulation; relying solely on mandatory HMO licensing; Additional licensing designations to cover smaller or larger areas; Selective licensing; and Management Orders.

7.2 More detail on these options, including the reasons for rejecting these options, can be found in the “Alternatives to Licensing” section of the in the attached Additional Licensing Consultation Document.

8 CONSULTATION

8.1 Informal Cabinet and the Council’s Senior management team (SMT) have been consulted on the proposal to go to public consultation on a new Additional; HMO licensing scheme.

8.2 A 3 month public consultation exercise, led by appointed contractor MEL, is due to be launched within the next few weeks. This will include: details of the scheme design; marketing of proposal; open facilitated events with interested parties; and on-line survey forms.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

Contact person	<i>Chris Mordaunt, Team Manager (Housing Standards & Improvements) 01225 396282</i>
Background papers	<i>None</i>
Please contact the report author if you need to access this report in an alternative format	

Bath & North East
Somerset Council

Additional HMO Licensing Proposal 2018

Consultation
Document

Bath and North East
Somerset Council Housing



Contents

Introduction.....	1
Why is Bath and North East Somerset Council considering additional licensing in Bath City?	1
What are the benefits of licensing?	3
How licensing fits with Bath and North East Somerset Council's strategies	4
Alternatives to licensing	5
Licensing Schemes being considered.....	6
How will the schemes be delivered?	9
Enforcement of licensing	10
Monitoring the schemes.....	10
Licence application and fees	10
Consultation	12
Evaluation and decision making.....	12

Appendix 1 Maps of proposed Additional (HMO) Licensing area

Appendix 2 Draft Additional (HMO) Licensing conditions

Introduction

The Private Rented Sector (PRS) in England has grown from 1 in 10 households in 2004 to 1 in 5 households in 2017¹. Local data gathered in 2017 indicated that the PRS in Bath and North East Somerset is higher than the national average and growing quickly, now accounting for 27% of dwellings in the district².

Privately rented homes shared by 3 or more people in 2 or more households and sharing one or more facilities, account for 16% of the private rented sector in B&NES. These properties are referred to as Houses in Multiple Occupation (HMOs).

HMOs are often associated with poorer standards of management and quality and tend to be occupied by the more vulnerable members of society, often on lower incomes who lack social mobility and choice. Mandatory Licensing of larger HMOs has been designed to tackle this and ensure that the poorest and highest risk properties in the private rental market meet legal standards and are properly managed to provide greater protection of the health, safety and welfare of the occupants of this type of property.

In Bath and North East Somerset, recent stock modelling indicates that 21% of the privately rented HMO stock falls below the minimum statutory housing standard. Housing Services Officers deal with a significant number of issues and complaints originating from HMOs requiring work with landlords to facilitate improvements. Whilst mandatory licensing captures larger HMO properties, it does not apply to smaller HMOs with less than 5 occupants.

To help ensure smaller HMOs are well managed and meet minimum safety standards, the Housing Act 2004 allows Local Authorities (LAs) to extend licensing to other PRS properties and this comes in two forms:

- **Additional licensing of HMOs:** enables LAs to licence other classes of HMOs which don't come under the mandatory licensing regime. It can apply to specific types of HMOs in specific areas as determined but the LA.
- **Selective licensing:** enables LAs to extend licensing to other types of properties in the PRS other than just HMO's.

Why is Bath and North East Somerset (B&NES) Council considering additional licensing in Bath City?

Although lots of good work has been undertaken in B&NES to improve property standards, HMOs with shared facilities in many parts of the City of Bath are not adequately regulated through the mandatory licensing scheme. This leads to a range of common problems such as housing complaints, higher rates of housing health and safety hazards, rubbish accumulation, poor garden maintenance and disrepair.

¹ English Housing Survey, 2017

² Building Research Establishment (BRE), 2017

In 2013, an additional (HMO) licensing scheme was introduced in 3 wards in Bath City: Westmoreland, Oldfield and the northern part of Widcombe, and includes all HMOs with shared facilities.

The objectives of the scheme were to ensure minimum standards of safety and welfare; effective and appropriate management; reduction in the impact of poor HMOs on the community; reduction in poor energy efficiency and excess cold and support for landlords and agents to meet their obligations.

A recent evaluation of the scheme has shown that licensing has been beneficial in improving standards across the designated area by reducing significant hazards, addressing management regulation failures and improving welfare conditions.

The additional licensing scheme has licensed over 1,000 HMOs (900 Licence Holders), covering over 4,000 bed spaces. The regulation of these homes has identified poor standards including inadequate fire precautions, breach of minimum standards and welfare issues which have been identified for improvement and proactively addressed by Housing Services. The HMOs in the scheme have been made more transparent to the Council and to the community, allowing the Council to efficiently contact the owners and managers for action and compliance.

Over 1,700 inspections have taken place and over 2,000 property specific licensing conditions have been applied to properties. On initial inspection, 31% of HMOs were found not to meet the minimum statutory housing standard because they contained a significant health and safety hazard.

Officers have worked extensively in the additional licensing area enforcing legislation and raising standards where required, acting on local intelligence and using a range of tools to identify unlicensed HMOs. Through this work properties have been brought into the scheme and standards raised, and where appropriate enforcement action has been taken. Enforcement of the scheme has resulted in 35 simple cautions being issued and six successful prosecutions for failing to licence properties under the scheme.

The council feels that this first B&NES additional licensing scheme has been successful in improving standards of HMO properties in the designated area. However, these 3 wards are not the only areas in Bath City that have HMO properties and the council feels there is a strong argument to extending the Additional Licensing scheme across the whole of Bath City. This would ensure that almost all HMO properties within the local authority area would be subject to licensing and would improve property and management standards across a large proportion of the private rented sector.

Along with evidence from the current scheme in the 3 wards in Bath City, the Council has considered the evidence from a range of other sources before coming to this decision on a proposal for a further Bath City wide Additional HMO Licensing Scheme. We believe that introducing Additional (HMO) licensing in Bath City will:

- Ensure that properties are managed properly
- Improve communities across the designated areas
- Reduce complaints of poor housing conditions, noise, rubbish, overgrown

- gardens, and disrepair related to private rented sector housing (PRS)
- Ensure that the licence holder and property manager are suitable
 - Ensure that the standards of accommodation provide a safe and healthy environment (such as having adequate fire, gas and electrical safety, suitable room sizes and adequate kitchens/ bathrooms for the number of tenants)
 - Identify the location of HMOs and the name and contact details of landlords responsible for them.

What is the proposal?

Bath and North East Somerset Council is proposing to introduce an Additional (HMO) Licensing scheme for Houses in Multiple Occupation (HMOs) across the whole of Bath City as shown in Appendix 1.

Licensable HMOs that would be included in the scheme would have 3 or more occupiers from 2 or more households where there is sharing of a basic amenity such as a bathroom, WC or kitchen, regardless of the number of stories.

The scheme would run for a period of 5 years during which the Council would undertake a review of the scheme. At the end of the 5 years the scheme ceases to exist unless the Council designate a further scheme following an appraisal of the evidence of need and public consultation exercise.

The objectives of the scheme would be to achieve:

- minimum standards of safety and welfare or better for HMO residents;
- effective and appropriate management of HMOs;
- a reduction of the impact of poorly managed HMOs on local communities;
- the provision of support for landlords and agents to meet their objectives;
- high levels of compliance with licence conditions; and
- effective enforcement of the scheme.

Further details of the proposal are presented later in the consultation document.

What are the benefits of licensing?

The aim of the scheme is to lead to an improvement of the management and property conditions across the designated area through engagement with HMO owners and managers. Members of B&NES Housing Standards and Improvement Team will carry out inspections of licensable HMOs, be available to offer advice and support to both landlord and tenant and enforce licensing and other legal requirements. Licensing of privately rented properties, albeit often unpopular, can provide benefits to tenants, landlords and the wider community.

What are the benefits of licensing for landlords?

- All landlords will receive information and support to help them meet legal requirements for safety and management
- Landlords whose properties currently meet legal standards will operate in the knowledge that all HMOs in the area will have to do likewise
- Greater ability for the landlords to set out what is expected of tenants
- Improvement in the reputation of private landlords.

What are the benefits of licensing for tenants?

- A clear set of rules that all landlords must follow
- A landlords code of good management practice
- Inspections and follow up to ensure that minimum standards for rented housing are met.

What are the benefits of licensing for the community?

- Better managed rented housing
- Reduced environmental problems, such as litter and overgrown gardens
- Protect vulnerable people who may currently live in poor condition properties
- Public register means that landlords of problem HMOs can be contacted by neighbours directly to deal with concerns.

How licensing fits with Bath and North East Somerset Council's strategies

The Additional (HMO) Licensing proposal is consistent with the Council's overall housing strategy, including:

- The Council's **Economic Strategy (2014-2030)** states that it is B&NES's aim that the "local housing market is balanced and integrates a choice of high quality homes including affordable homes in thriving vibrant, sustainable communities" and that B&NES will "enforce minimum standards in rented housing and offer guidance". This is particularly important now that the private rented sector makes up 27% of the housing stock (21,000 properties) and that recent stock modelling indicates that 21% of the HMO stock falls below the minimum statutory housing standard.
- The Council's **Homelessness Strategy (2014-2018)** in which includes a priority to "Protect housing standards and conditions in low cost private rented housing".

Co-ordination with other broader functions

The additional licensing proposal will co-ordinate with, and support, a range of broader corporate functions, including:

- Welfare reform means that multiple occupancy accommodation is likely to become the realistic housing option for more people, particularly those on lower incomes. Additional (HMO) licensing will help to ensure minimum standards of safety and management are achieved in this type of accommodation allowing this resource to be used more effectively by the Housing Options & Homelessness Team.
- The Council's Homelessness strategy includes an action to increase the number of people living in private rented accommodation that meets the Decent Home Standard. Licensing will assist with this approach by ensuring all HMOs with shared facilities in the designated area are inspected and brought up to the minimum statutory standard where required.
- Knowledge of HMOs addresses and contact details of landlords/HMO managers will help Waste Services to reinforce the information and key messages provided to tenants and landlords for waste collection arrangements, times and reporting problems. The licence condition on arrangements for recycling and rubbish assists with waste and recycling initiatives and to reduce amenity issues.
- Knowledge of HMOs addresses and contact details of landlords/HMO managers allows the Council to more effectively deal with incidents of nuisance including noise, overgrown gardens and pests. This work will be assisted by the licencing conditions and information held on the public register of licence holder.
- An accurate knowledge of HMOs addresses supports and informs HMO Planning decisions, which are based, at least in part, on the concentration of HMOs within the locality.
- The public register of HMO aids and supports the Council's agenda around transparency and community engagement.

Alternatives to licensing

The Council has considered whether there are any courses of action, other than Licensing, that might achieve the same objectives in the proposed area.

The following alternative options have been considered to deal with the problems associated with some HMOs in B&NES:

- **Targeted proactive enforcement** - A Council funded pro-active enforcement programme to inspect all HMOs is not viable in the current financial climate. Furthermore, this option would not provide the Council with the accurate information on the location and management of HMO properties on the scale needed for an effective improvement scheme.
- **Reactive house condition inspections and enforcement** - Reactive enforcement is a course of action that will continue and will run alongside additional licensing as it already does with mandatory HMO licensing. However, enforcement only addresses individual properties one at a time and is reliant on tenants and other parties making a formal complaint to the Council. Tenants who are concerned about the loss of their tenancy due to

retaliatory eviction may not come forward despite the new protections that exist. They may also lack awareness and knowledge on how and when to seek help.

- **Voluntary initiatives** - In the past, the Council have operated a voluntary property accreditation scheme. It was successful in improving a significant number of properties, however, being voluntary it only attracted those landlords keen to ensure they met legal safety and management standards. It did not find and engage with landlords of the potentially poor quality properties and who were not concerned about meeting current safety and management standards or unwilling to become known to the Council. As such, this type of initiative has limited impact and will be highly unlikely to improve the sector as a whole.
- **Co-regulation** - To assist those landlords who want to provide safe and good quality properties, B&NES in conjunction with its West of England Partners, operates a **Rental Standard** which endorses providers of accreditation schemes who require their members to meet certain standards. The voluntary scheme aims to recognise good practice and improve standards in the private rented sector by engaging with landlord and agent associations and representative bodies. The purpose of the Rental Standard is to help those landlords who want to follow good practice in managing their properties. However, it is not intended to ensure compliance and the schemes vary by provider. Therefore, even within those properties whose landlords are members of such as scheme, the standards of safety and management may not meet minimum legal standards. The remaining properties with no link to a scheme would also have to be identified and inspected by the local authority which is problematic and not viable given the costs which would be incurred.
- **Mandatory HMO licensing only** - Mandatory licensing only covers the larger HMOs with shared facilities (3 or more storeys with 5 or more people). It does not cover the majority of HMOs most of whom house less than 5 people or are only 2 storeys high and which can still pose risks to tenants. There is a likelihood that the scope of mandatory HMO licensing may change in the future to include HMOs with 5 or more occupants, regardless of storeys. However, it is unlikely to include HMOs with 3 or 4 occupants.
- **Additional licensing designations to cover smaller or larger areas** - The evidence currently points towards Bath City as benefiting most from an Additional HMO Licensing scheme. Other options where the evidence supports HMO Licensing include a further scheme covering the existing Additional Licensing area of Westmoreland, Oldfield and Part of Widcombe and a scheme covering the existing Additional Licensing area plus the surrounding wards of Twerton, Newbridge and Kingsmead .
- **Selective licensing** - Subject to satisfactory evidence of meeting the legal criteria, this option is available for requiring all privately rented accommodation to be licenced as determined by the Local Housing Authority. This option has not been explored in detail to date, given the focus on HMOs.
- **Management Orders** - The use of Interim Management Orders (IMO) can be used for individual HMOs to take the management away from the landlord for up to 12 months. IMOs are not an area based approach and can only be used

on individual properties as a reactive response to protecting health, safety and welfare.

Licensing Scheme being considered

The Council is therefore proposing to introduce an 'Additional (HMO)' licensing scheme for privately rented properties across Bath City.

Mandatory HMO licensing already operates in Bath and North East Somerset and applies to any private rented property where it is rented to 5 or more people who form more than 1 household, where it is at least 3 storeys high and where tenants share toilet, bathroom or kitchen facilities.

Having more than one household living in a property can increase the risk to the health, safety and welfare of the occupiers if the property is not properly managed. A number of landlords do not maintain their properties, leaving tenants at risk, and failing to adequately manage their properties leading to anti-social behaviour affecting neighbouring premises. For properties outside of the above mandatory criteria, an Additional Licensing (of HMO properties) designation may be made if a Council considers that a significant proportion of HMOs of a defined description, in a designated area are being poorly managed to an extent which will give rise to **one or more** particular problems either for those occupying the property or members of the public.

The Bath City area is proposed for 'Additional (HMO)' licensing.

Having reviewed the data across the proposed areas and sought legal advice, Bath and North East Somerset Council is of the opinion that the legal test for designating Bath City for Additional (HMO) Licensing has been met. This is based on the following:

1. The presence of housing health and safety hazards within HMOs located in the Bath City results in an adverse impact on the occupants.

- Council inspection of HMOs at the start of the existing Additional HMO Licensing scheme found significant HHSRS hazards for 31% of properties. A similar rate of hazards is likely to be found elsewhere in the City irrespective of the geographical area covered ([R1](#)).
- Table 1, A Comparison of Category 1 hazards in the Private Rented Sector for HMO and non HMO dwellings, shows a significant level of hazards and disrepair in HMOs across Bath City and for many wards a higher level of hazards in HMOs than non HMOs ([R4](#)).

Table 1: A Comparison of Category 1 hazards in the Private Rented Sector for HMO and non HMO dwellings

	Non HMO				HMO		
Ward	Number	% C1	% Disrepair		Number	% C1	% Disrepair
Abbey	2879	16	9		110	43	16
Bathwick	537	7	4		28	32	4
Combe Down	359	13	4		69	17	10
Kingsmead	1518	13	8		258	26	11
Lambridge	468	12	4		77	22	12
Lansdown	1345	14	6		69	23	22
Lyncombe	2113	16	4		70	14	11
Newbridge	2401	13	4		121	26	11
Oddown	348	10	3		87	14	7
Oldfield *	233	17	5		536	0	10
Southdown	224	11	3		57	14	9
Twerton	342	19	4		110	17	8
Walcot	1228	9	8		202	24	7
Westmoreland *	971	10	6		800	0	8
Weston	397	14	6		80	11	0
Widcombe *	805	14	10		485	0	8

* Existing Additional (HMO) Licensing scheme

2. A significant proportion of service requests received by Housing Services over the last 4 years are from occupants of HMOs.

- 440 or 25% of all service requests come from HMO occupants (R3).

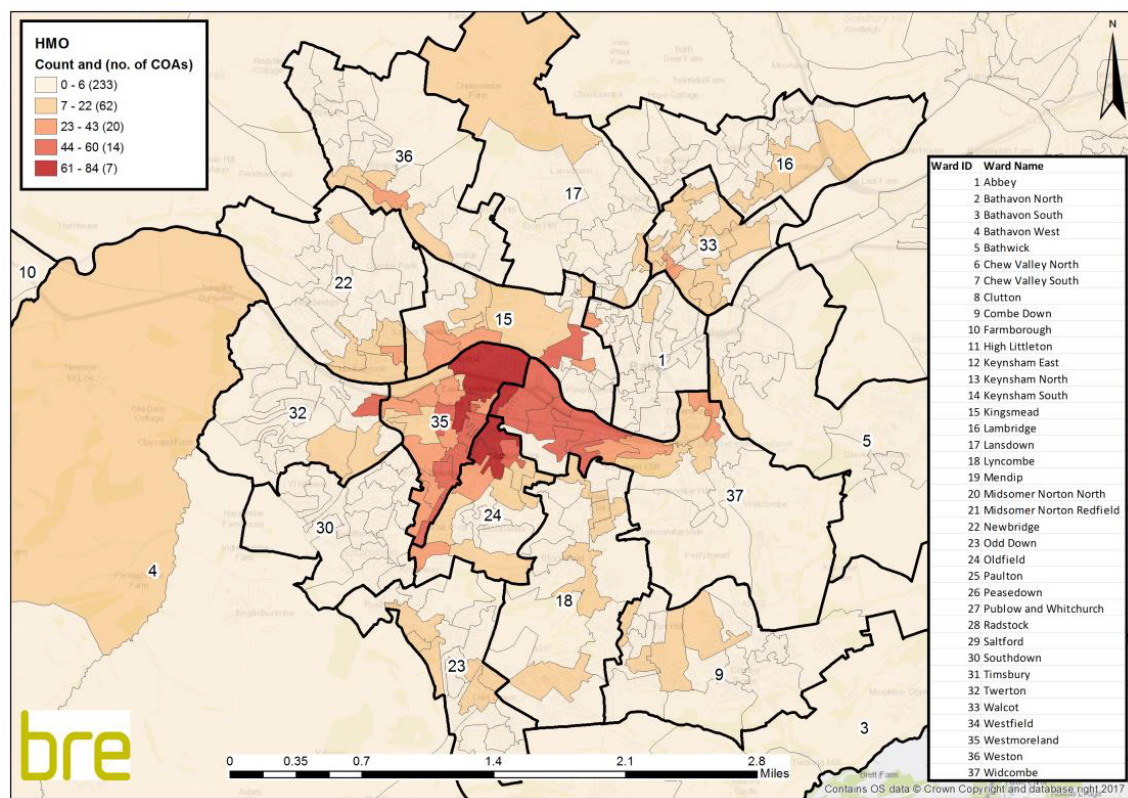
3. There is general support by residents, and landlords for HMO Licensing within existing licensing area.

- Nearly all residents not living in HMOs responding to an online/postal survey in September 2017 felt HMOs should be licensed by the council and reported a negative effect on their local area from rubbish, noise, poor garden maintenance, property condition, and overcrowding. Nearly half of landlords with licensed HMOs in the additional licensing area supported the scheme continuing (R1).
- Around half of residents not living in HMOs responding to a door step survey in 2017 reported a negative effect of HMOs in their area (R2).

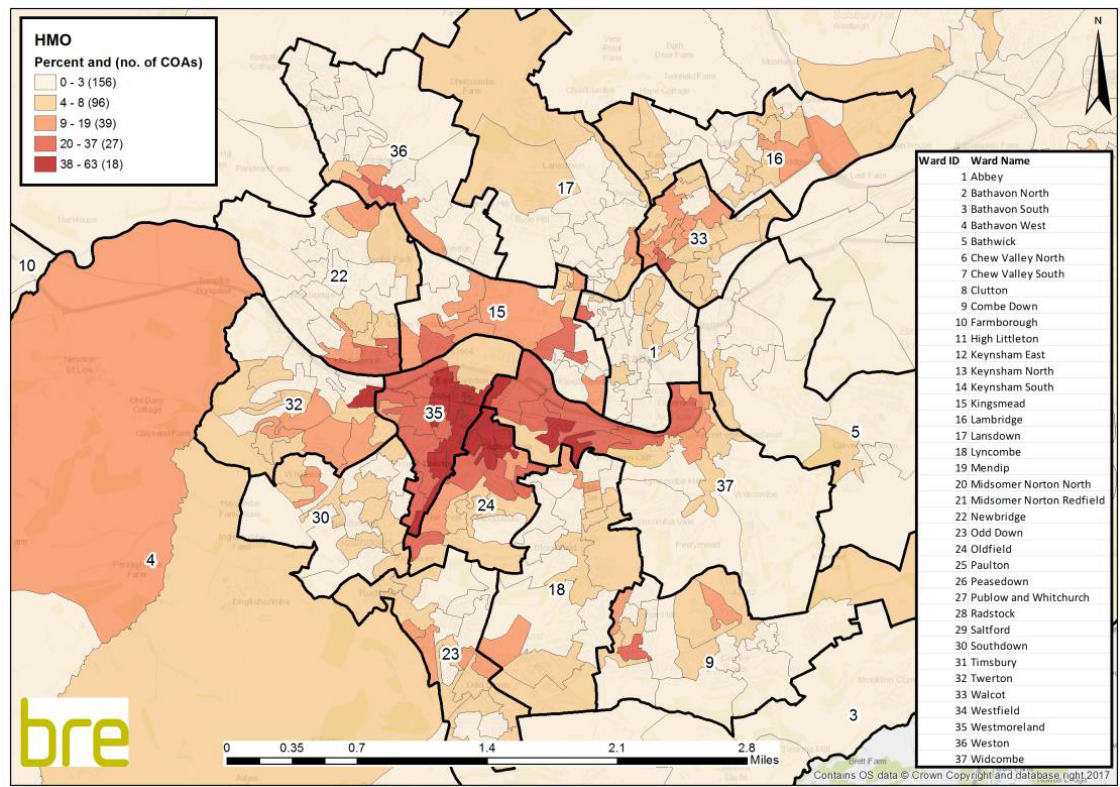
4. There are significant concentrations of HMOs within many areas across the whole of Bath City.

- A recent study indicates the presence of 3159 HMOs within the Bath City boundary. The maps show the distribution of HMOs at census output area level with shading for areas with 7 or more. There are significant numbers of HMOs distributed across the whole of Bath City (R4).

Map 1: Count and distribution of HMOs across Bath City



Map 2: Percentage and distribution of HMOs across Bath City



References:

- R1. Review of the 2014 Additional HMO Licensing Scheme*
- R2. Door Step Survey Residents Views 2017*
- R3. Local Information HMOs 2017*
- R4. BRE Integrated Dwelling Level Housing Stock Modelling and Database for Bath and North East Somerset*

How will the proposed scheme be delivered?

The Council already runs a licensing scheme in Westmoreland, Oldfield and parts of Widcombe, which comes to an end in December 2018. The Council is committed to ensuring that the Additional (HMO) Licensing scheme contributes to improvements in housing conditions across the private rented sector. The Council intends to inspect all licensable properties over the period of the licence. All newly licensable HMOs under a City Wide Additional (HMO) scheme would receive an inspection before the issue of a licence. Properties which are currently licensed under the existing Additional (HMO) Licensing scheme will need to apply for a new licence, but will not be inspected before the licence is granted. All licensable HMOs will be inspected at least once during the 5 year licensing period. The Council will provide advice and support to landlords to help to bring property conditions up to the required standards along with ensuring that the landlord's statutory responsibilities are also met.

The administration of the application process, including inspections and providing general advice and support to landlords will be undertaken by Officers funded by licence fee income.

Enforcement of licensing

Additional (HMO) Licensing operates in the same way as mandatory (HMO) licensing and has the same legal status and penalties for non-compliance. Landlords will need to abide by a set of conditions as part of their licence. Draft licence conditions have been drawn up (see [Appendix 2](#)).

The Housing Standards and Improvement Team will carry out a programme of pro-active compliance inspections of licensed HMOs. A firm approach to compliance will be taken. Enforcement action proportionate to the circumstances of the case and in line with the Housing Services Enforcement Policy will be taken against landlords found to be operating an unlicensed HMO covered by the scheme or failing to comply with licence conditions.

Monitoring the schemes

It is important that progress of the licensing scheme be monitored in line with its respective objectives. These are:

- minimum standards of safety and welfare or better for HMO residents;
- effective and appropriate management of HMOs;
- a reduction of the impact of poorly managed HMOs on local communities;
- the provision of support for landlords and agents to meet their objectives;
- high levels of compliance with licence conditions; and
- effective enforcement of the scheme.

Monitoring will be carried out through compliance inspections of licensable HMOs and collecting data on follow up action, work carried out with landlords and agents, and environmental impact.

Licence application and fees

Application

It is the Council's intention to make the application process for landlords as streamlined as possible. Online applications and payment will be the preferred method, keeping processing costs at a minimum and therefore a discount is being considered will be offered for this method. The application process includes determining if the landlord or proposed licence holder is a 'fit and proper' person. This requires the declaration of any unspent convictions, unlawful discrimination and prosecutions under housing, public health, environmental health or landlord and tenant law. A new requirement will be a basic disclosure obtained from Disclosure Scotland to be provided with the application. The Licensing Team will make checks into a person's 'fit and proper' status.

The following documents will also be required with the application and are also being considered as necessary to obtain the discounted fee:

- Current gas certificate
- Current electrical certificate
- EPC
- Layout plan to show the number and arrangement of rooms and facilities
- Basic disclosure certificate (obtainable from Disclosure Scotland for £25)

Fees

In setting licence fees, the Council must ensure that the fee income does not exceed the costs of running the scheme, including the processing of applications, monitoring compliance and enforcing the scheme. The fee structure is also required to be reasonable and proportionate.

A licence would normally be granted for a period of five years and no further fees would be payable during the life of the licence. However, licences are non-transferrable; therefore a change of licence holder will require a new application and fee payment. A review of fees will be undertaken annually and they may be adjusted to reflect changes in costs.

Additional (HMO) Licensing fees for HMOs are proposed to be similar to those charged for mandatory HMO licences under Part 2 of the Housing Act 2004.

[The proposed standard fee is yet to be finalised. Please refer to the link to the consultation details on the Housing Services web page which will go live once the consultation is launched.

<http://www.bathnes.gov.uk/services/housing/houses-multiple-occupation>

Incentives

It is proposed that the standard fee is discounted by an amount to be agreed for an online application with the required additional documents attached. This reflects the time saved in processing an online form and having all the necessary information submitted with the application. Suggestions for alternative incentives for landlords, which reduce the cost of licensing a property to the Council, which arise as the result of this consultation, are welcome and will be considered.

Refund policy

Refunds will be given if an application was made in error. For further information please see our Housing Services Charging Policy.

How the fees have been calculated

Under the Housing Act 2004, councils are permitted to charge a fee for HMO licence applications in order to cover their costs. Councils are not allowed to make a profit; equally they do not want to run at a loss. Local Authorities are not permitted to charge a fee for finding and enforcing against unlicensed HMOs but are allowed to charge for administration and costs included in running the scheme for its full duration.

Working on the principles agreed with other West of England local authorities (Bristol City Council, North Somerset Council and South Gloucestershire Council) to help cover the costs, B&NES Council calculated their fees to include the following elements:

- Processing and checking applications
- Making statutory judgements
- Fit and proper person assessments
- Taking and reconciling payments
- Processing and issuing proposed and final licences
- Maintaining information and systems
- Booking inspections
- Conducting inspections including travel and follow up.
- set up costs
- promotion and publication
- developing documentation and processes
- ensuring compliance with licensing conditions.
- Enforcement of the scheme

Estimated total for 5 years

An estimate of the projected costs of administering the schemes together with the corresponding fee income will be provided when the consultation is launched and be available via the Housing Services webpage link above.

Consultation

The Housing Act 2004 requires that before making a designation, the Council is required to undertake a formal consultation process on the proposed implementation of any licensing designations and take reasonable steps to consult with persons likely to be affected. This includes local residents, tenants, landlords, managing agents and other members of the community who live or operate businesses or provide services within the proposed designation and neighbouring areas that may be affected.

Our engagement and consultation process will last for a period of 10 weeks, which commences on the 28th February 2018 and finishes on the 9th May 2018. To provide an impartial consultation, M·E·L Research, an independent research agency are undertaking the consultation process.

Evaluation and decision making

Following the closure of the consultation period the responses will be evaluated and a summary published on the B&NES Council's website. The responses will be considered and will inform officer recommendations to Cabinet Members before making a final decision as to whether to proceed with Additional (HMO) Licensing.

If the Council's Cabinet agree the proposed designations for the purpose of Additional (HMO) Licensing, a designation would become operative on 1st January 2019, with the scheme lasting for a period of five years. If Cabinet decide not to designate the area, B&NES could continue solely with Mandatory HMO Licensing and the current reactive enforcement regime. These timescales may be subject to change in the event of unforeseen circumstances.

This page is intentionally left blank

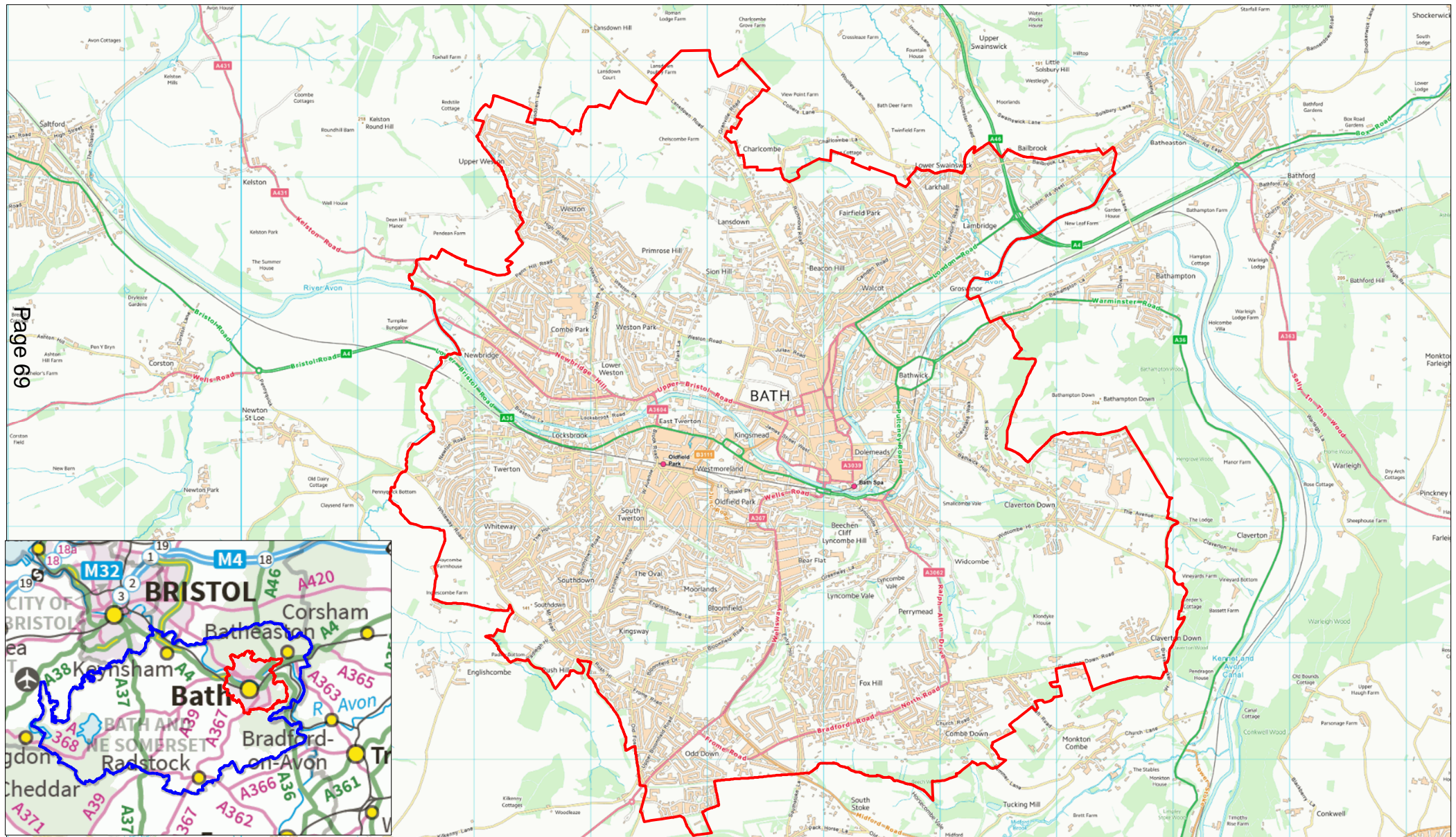
Bath Proposed HMO Additional Licencing area

Compiled by MRL on 27 February 2018

Scale 1:45000



Bath & North East Somerset Council
Lewis House
Manvers Street
Bath BA1 1JG
Tel 01225 477000



This page is intentionally left blank

PLANNING, HOUSING AND ECONOMIC DEVELOPMENT POLICY DEVELOPMENT AND SCRUTINY PANEL

This Forward Plan lists all the items coming to the Panel over the next few months.

Inevitably, some of the published information may change; Government guidance recognises that the plan is a best assessment, at the time of publication, of anticipated decision making. The online Forward Plan is updated regularly and can be seen on the Council's website at:

<http://democracy.bathnes.gov.uk/mgPlansHome.aspx?bcr=1>

The Forward Plan demonstrates the Council's commitment to openness and participation in decision making. It assists the Panel in planning their input to policy formulation and development, and in reviewing the work of the Cabinet.

Should you wish to make representations, please contact the report author or Mark Durnford, Democratic Services (01225 394458). A formal agenda will be issued 5 clear working days before the meeting.

Agenda papers can be inspected on the Council's website and at the Guildhall (Bath), Hollies (Midsomer Norton), Civic Centre (Keynsham) and at Bath Central, Keynsham and Midsomer Norton public libraries.

Ref Date	Decision Maker/s	Title	Report Author Contact	Strategic Director Lead
13TH MARCH 2018				
13 Mar 2018 Not before 14th Mar 2018 E3044	PHED PDS Cabinet Member - Economic and Community Regeneration	Taking Action on Empty Homes' - Adoption of the draft Empty Residential Property Policy 2018	Louise Davidson Tel: 01225 477658	Strategic Director - Place
13 Mar 2018	PHED PDS	Affordable Housing Delivery in the Bath Enterprise Zone	Louise Davidson, Simon Martin Tel: 01225 477658, Tel: 01225 477407	Strategic Director - Place
13 Mar 2018	PHED PDS	HMO Additional Licensing	Graham Sabourn Tel: 01225 477949	Strategic Director - Place
8TH MAY 2018				
8 May 2018	PHED PDS	Housing Assessment Presentation	John Wilkinson Tel: 01225 396593	Strategic Director - Place
3RD JULY 2018				
ITEMS YET TO BE SCHEDULED				
	PHED PDS	Invitation to the Mayor of West of England Combined Authority (WECA)		Strategic Director - Place

Ref Date	Decision Maker/s	Title	Report Author Contact	Strategic Director Lead
	PHED PDS	Future of Retailing in District Centres		Strategic Director - Place
	PHED PDS	Review of KPIs - Housing Performance Reports	Graham Sabourn Tel: 01225 477949	Strategic Director - Place
The Forward Plan is administered by DEMOCRATIC SERVICES : Mark Durnford 01225 394458 Democratic_Services@bathnes.gov.uk				