



Report to: Communities Committee, 2nd November 2022

Report of: Corporate Director - Operations, Homes and Communities

Subject: PROTECTION AND ENGAGEMENT – PRIVATE RENTERS

1. Recommendation

That the Committee:

1.1 Notes the contents of the report; and

1.2 Approves the action plan as set out at Appendix 1.

2. Background

- 2.1 On 5th July 2022, the Council agreed a Notice of Motion to instruct Officers to compile an Action Plan for consideration by the Communities Committee identifying measures of how the Council can further protect and engage with private renters.
- 2.2 The motion sought confirmation on how the authority could provide support to private renters including through:
- 2.2.1 The serving of compliance notices for excess cold in homes that fail Minimum Energy Efficiency Standards.
- 2.2.2 Training and information provided to Councillors on how the Council can help residents in rented properties.
- 2.2.3 Information Pack provided by the Council including how to access any help for private renters.
- 2.2.4 The feasibility of a confidential reporting system for tenants.
- 2.3 Whilst the majority of landlords do comply with legal requirements for property standards there are a significant minority that are failing to meet minimum standards. In February 2022, the Council adopted a new Housing Enforcement Policy that supports this work, in particular the use of fines as an alternative to prosecution and fines for failures to meet minimum energy efficiency standards.
- 2.4 The Government's ambition is to improve the energy performance of privately rented properties as improving a home's energy efficiency helps the occupants keep warm, reduce their energy bills and provides better protection for their health and wellbeing. Those benefits are particularly important to households on lower incomes and in homes which are expensive to heat.

- 2.5 Worcester has approximately 8,000 private rented properties making up nearly 20% of the housing stock. Of these, 515 properties that have a registered EPC indicate that they fall beneath the required energy performance standard.
- 2.6 These figures from the national EPC register have yet to be analysed to remove any data errors and exemptions for empty properties and Houses in Multiple Occupation, but is still significantly more than the equivalent data for neighbouring councils in part due to the nature and makeup of the stock in the private rented sector in the City.
- 2.7 Communication and engagement with landlords and lettings agents has been undertaken to ensure awareness of these standards. Further communication, help and advice is planned to support landlords in making the necessary improvements including through landlord forums.
- 2.8 There are a number of specified criteria which make a property exempt from the Energy Efficiency Standards with 29 exempt properties listed in Worcester which need to be analysed and verified. Over the past six months, the council has investigated 20 properties and issued compliance notices for each of these. Five have demonstrated that they do meet the standard and obtained new EPCs and five have been issued with penalty notices of which, one has paid and four have been disputed. The remaining ten properties where no response to the compliance notice has been made will be subject to penalty notices issuing for not responding.
- 2.9 The MEES Regulations refer to the concept of 'relevant energy efficiency improvements.' This is a measure, or package of measures, recommended in an EPC report, which can be purchased and installed for £3,500 or less (including VAT) - the cost cap. Where costs to improve a property to above an E rating exceed £3,500, an exemption can be applied for however most properties can be brought to the necessary standard for significantly less than this through improvements such as draft proofing and high heat retention storage heaters.
- 2.10 A proposed action plan (**see Appendix 1**) has been drawn up in order to implement the approved motion and includes measures to recruit and train staff on minimum energy efficiency enforcement, to inform and educate members, landlords and agents, encourage tenants to contact us with issues they face and steps to enforce minimum energy efficiency standards over time.
- 2.11 The enforcement of minimum energy efficiency standards will involve a lot of data work and use of a range of intelligence and information sources to help track down occupied, private rented properties that are in poor condition and not claiming a valid exemption. This area of work will be led by one officer with the other property standards officers also taking cases on alongside their existing workload.
- 2.12 The outcomes will be monitored including the number of properties improved, number of compliance and penalty notices and the improvement of properties.

3. Preferred Option

- 3.1 The proposed action plan sets out a long term, sustainable approach that should engage with tenants and landlords and builds the work of the Private Sector Housing Team by helping focus work on key issues that affect private rented tenants, in particular their housing conditions and their energy costs. The plan will be subject to an annual review to ensure that it remains focussed and is targeted appropriately.

4. Alternative Options Considered

- 4.1 The action plan is set out over 2 years and shows ongoing commitment. If the team were to try to achieve a higher number of cases in a short time there is a risk to other areas of work such as the mandatory licensing of Houses in Multiple Occupation. The approach recommended is considered realistic and achievable and balances capacity with potential legal risks.
- 4.2 If the Council does not take action to respond to the motion adopted then vulnerable private rented tenants in the city would not receive the support they need to achieve financially sustainable and warm homes.

5. Implications

5.1 Financial and Budgetary Implications

The additional staffing resource of a Property Standards Officer and Technical Officer, as identified through the report and action plan will be funded through the Homelessness Prevention Grant.

Any financial penalty proceeds are required to go towards meeting the costs and expenses occurred in, or associated with, carrying out its enforcement function within the private rented sector. Any recovered financial penalty which is not applied in accordance to this must be paid into the Consolidated Fund. Thus the income can be used to ensure staff are adequately trained and equipped to undertake the functions.

5.2 Legal and Governance Implications

There is a legal duty from both the regulations for the local housing authority to undertake enforcement.

5.3 Risk Implications

There is a risk of legal challenge if this process is not followed to correctly which could result in First Tier Property Tribunals overturning notices and penalty fines. This legal, reputational and financial risks will be mitigated through officers receiving training and updates and working closely with the legal services team.

5.4 Corporate/Policy Implications

The action plan reflects the approach already adopted in the Council Housing Enforcement Policy. Action to improve homes for tenants and in particular the energy efficiency will support reduction in carbon use and improve health and wellbeing.

5.5 Equality Implications

The enforcement of MEES regulations will have a positive impact on the health, safety and welfare of vulnerable tenants.

5.6 Human Resources Implications

No implications on existing Human Resources identified.

5.7 Health and Safety Implications

No Health and Safety implications identified.

5.8 Social, Environmental and Economic Implications

Improvements to energy efficiency standards will help make rental properties more affordable and sustainable for persons on low income. They will also have a significant impact on carbon production from energy use.

Ward(s): All
Contact Officer: Tom Mountford – Head of Homes & Communities
Tel: 01905 722529
E-mail: tom.mountford@worcester.gov.uk

Background Papers: N/A