

Minutes of a meeting of the Housing and Homelessness Panel (Panel of the Scrutiny Committee) on Thursday 3 September 2020

www.oxford.gov.uk



Committee members present:

Councillor Bely-Summers (Chair)

Councillor Aziz (Vice-Chair)

Councillor Gotch

Councillor Taylor

Councillor Wade

Councillor Wolff

Officers present for all or part of the meeting:

Tom Hudson, Scrutiny Officer

Tanya Bandekar, Service Manager Revenue & Benefits

Dave Scholes, Housing Strategy & Needs Manager (Affordable Housing Supply Lead)

Paul Wilding, System Change Manager - Homelessness Prevention

Ian Wright, Head of Regulatory Services and Community Safety

Phil McGaskill, Revenues Manager, Finance

Also present:

Councillor Alex Hollingsworth, Cabinet Member for Planning and Housing Delivery

Tony Buchanan, Housing Panel (tenant co-optee)

Simon Warde, Tenant Involvement Manager

9. Apologies

None

10. Declarations of interest

None

11. Housing Panel Work Plan

The Panel considered the proposed workplan for the forthcoming year, which was **NOTED**. It was suggested, however, that if relevant items came up for the next meeting that they should also be added to the work plan.

12. Notes of previous meeting

The notes of the meeting held on 03 August 2020 were **AGREED**.

13. Requested updates from previous meeting

Further to its requests at the previous meeting, the Panel heard a number of verbal updates.

1) Lived Experience Advisory Forum

Paul Wilding, Rough Sleeping and Single Homelessness Manager, gave a verbal update to the Panel on the activity of the Lived Experience Advisory Forum.

The Lived Experience Advisory Forum (LEAF) had been established by the Oxford Homeless movement on the basis of its belief in the importance of having people with lived experience of homelessness being able to work with (and influence) professionals around homelessness issues.

Activities from LEAF had been curtailed somewhat due to the pandemic. Nevertheless, two LEAF members were now part of the wider Oxford Homeless Movement's steering group. A coordinator for the Forum had also been funded by Oxford Homeless Movement to support its work and monthly meetings for members were taking place. In terms of its work, LEAF had

- Participated in research on how homelessness in Oxfordshire as a whole could be tackled through a housing-first approach, including training LEAF members to undertake interviews of homeless people, of which LEAF undertook 20.
- Worked with the Blavatnik School of Government on magazine articles relating to co-production.
- Worked with Aspire's new housing project on governance to ensure systems were in place to allow the project to be tenant-led.

Having been newly appointed to the post of Rough Sleeping and Single Homeless Manager, Paul Wilding was keen that he would be able to work with LEAF in the development of services from the Council also.

The Panel asked questions about demographic representation on LEAF, and work with St Mungo's on homelessness prevention. Regarding the latter, it was hoped that the new coordinator would help to raise the profile and reach of LEAF further, including on issues around services relating to homelessness prevention.

2) Champion Way and Community Led Housing

Dave Scholes, Housing Strategy and Needs Manager, gave a verbal update to the Panel on the progress of the Champion Way Community Led Housing project and the wider Community Led Housing concept locally.

Since the Panel had received the report the previous November, the Champion Way site had received planning permission for four one-bed properties. An easement right had needed to be altered. Heads of terms for the use of the site were being developed with the Oxfordshire Community Land Trust. Grant funding from the Oxfordshire Growth Deal was being sought, potentially with a top up from the Council via s. 106 developer contributions. On a strategic level, the Local Plan had been adopted, with a requirement for all sites of over 50 houses having to offer 5% of the space for Community Led Housing and self-build. The Council had also met with multiple Community Led Housing organisations, including the Community Land Trust, the Co-Housing group and the Collaborative Housing hub, where a protocol and shared understanding for information-sharing and taking sites forward was agreed, with one site being about two weeks away from being sufficiently progressed to be named. A

report from the Growth Deal had been published, with officers in each authority looking at how to take the recommendations forward. As part of that the Council had also partnered with other districts to enable a County-wide approach, allowing feasibility studies for potential sites to be undertaken across the County. The biggest area of delay in the Community Led Housing area was in regards to the publicity and meetings with the public which had been planned but were paused due to the pandemic.

The Panel asked no questions.

3) The Council's management of domestic rent arrears during Covid

Tanya Bandekar, Revenue and Benefits Manager, gave a presentation to the Panel on the Council's approach to domestic tenants in rent arrears during the Covid pandemic.

When the impact of Covid became apparent, the Council changed its approach to revenue-collection across the board, including domestic rent arrears, to allow for a softer approach. Rather than send official letters at a time when the courts were shut, the Council had softened its letters, encouraging those in arrears to contact the Council instead to discuss their situation. Alongside telephone calls, the softer approach had a positive approach that many tenants had shared their appreciation for.

Since March, when the courts had been shut, the Council had made no requests for possession. Though the courts had since reopened, the Council had not recommenced its recovery processes. In total, the number of tenant over six months in arrears was 41, out of 7800 tenants. The Council's recovery process did not involve seeking possession straight away, but seeking the court to give a suspended possession order subject to payment being made of the rent going forward and progress made against the arrears, a situation which allowed even those in significant arrears the opportunity to maintain their tenancy and not be evicted. Even those who fell further into arrears at this point would not be immediately subject to enforcement, but the Council would work with other services such as the Welfare Reform Team to support those individuals into work or ensure they were receiving the correct benefits. In 2018/19, 19 evictions took place out of a total of 185 court orders sought. A similar rate of 10% was found in 2019/20.

Assurance was provided to the Panel, and arrears levels compared to the same week in in 2018 were £70,000 higher, a small proportion of the total rent figure, particularly in light of the rent increase this year. Of these, the majority were 0-4 weeks in arrears, a time-frame in which the workings of the benefits system could cause distortions.

The Panel sought to know the Council's attitude towards the special circumstances of Covid and were informed that taking this into consideration was a pre-requisite for any court order, and that the Council was working with people in arrears to understand the causes, such as non-topped up furlough. Particular consideration would be given to those with families. The Council would work with advice agencies as well as the Welfare Reform Team, and also take steps with those on benefits to ensure that payments would be made directly to the Council to ensure non-escalation in arrears figures. It was possible to seek for payments for arrears directly too, but this would be dependent on the individual being left with sufficient money and was not guaranteed.

It was suggested that the Panel might have more things to discuss than in the time available with a verbal update. It was **AGREED** that there would be a dedicated item to the issue at the next meeting.

14. Selective Licensing

In light of the importance of the issue under consideration and the wish to understand the reactions of stakeholders from outside the Council to the proposals, the Housing Panel invited a number of representatives from local organisations to give their reactions to the report. The organisations represented were the Oxford Citizens' Advice Bureau, the letting and estate agency College and County, and the Oxford branch of the ACORN union.

Speaking prior to the presentation of the report, the Panel's external attendees presented their views. All were in agreement with the proposals, but raised a number of issues and questions. The most clear-running theme was the importance of enforcement of all properties, particularly given that those in the least secure housing should not be expected to whistleblow on their landlords. Without across the board enforcement, licensing would become a burden on those seeking to comply, leaving those willing not to do so, those operating within the shadow lettings market, with an advantage. It would be important to avoid the perception of 'entrepreneurial bureaucracy', the taking of license fees from compliant landlords to pay to tell them that they were compliant, rather than identifying and cracking down on those providing homes with category 1 and 2 health risks.

Whilst broad-spectrum enforcement was recognised to be a challenge, it was also recognised to be extremely valuable. Having minimum standards for the right to let would be a useful tool for advice agencies and unions in supporting tenants, and if done effectively would be of greatest benefit to the most vulnerable. Given the most vulnerable were identified by the CAB as those with English as a second language, on low pay and or those with mental health conditions there was seen to be a clear equalities justification. Extending licensing across the entire private rental sector, rather than simply on HMOs would also have the benefit of closing loopholes which allowed landlords and agents deemed unfit to provide HMO accommodation still able to let within the wider private rented market instead.

Other important messages were raised in relation to the importance of transparency, and the value for tenants of being able to look up on a database whether their property was licensed.

From the landlord side, an important point to note was that there was a recognition within the professional sector that licensing had been successful in raising standards in the HMO sector. Support was given to the proposals for discounts, though it was requested that there be greater clarity on the unit cost of providing the licensing service. An area of potential collaboration between letting agents and the Council was in regards to compliance, and whether there may be a role for lettings agents to be responsible for checking and guaranteeing compliance for the properties on their books, with the Council needing only to spot check a proportion of such properties.

Following these presentations, Councillor Alex Hollingsworth, Cabinet Member for Planning and Housing Delivery, introduced the report. It was underlined that plans for small geographical exemptions were not the Council's preferred choice, but were included in the proposals because central government had not clarified whether it did or did not support a whole-City scheme. The need for wide-reaching publicity was also

recognised, both to landlords so as to ensure compliance, but also to tenants and those in the shadow rental market in order to provide awareness of their rights as a tenant. Good landlords would have nothing to fear and indeed would be protected under the new scheme from bad landlords undercutting them on the back of poor rental standards. The danger of entrepreneurial bureaucracy was recognised, but assurance was provided that the scheme had been designed precisely so as to raise standards amongst non-compliant properties or prevent such properties from being rented.

Ian Wright, Head of Regulatory Services and Community Safety, introduced the technical aspects of the report. Having previously intervened to raise standards in the private rented sector through HMO licensing the Council was in a strong position to extend licensing further, having learnt a lot of lessons. Licensing had proven the most effective way of raising rental standards compared to the other options available to the Council. Selective licensing would close regulatory gaps and loopholes owing to the fact all privately rented properties would require a license, and the Council's experience in identifying unlicensed HMO properties (an area in which Oxford is notably strong) would be of significant benefit in enforcing compliance against unwilling landlords.

Being a regulatory intervention requiring government approval the proposals for selective licensing had to be designed in order to ensure government requirements were met. The Council had commissioned external consultants to assess the need. Their report showed every ward in the City had over 20% of privately rented homes, and that one in four privately rented homes were estimated to have a serious hazard, demonstrating by reference to the government's criteria a need for the proposed selective licensing scheme.

A key strength of the proposals was the addition of conditions to the license, which would give the Council greater powers. HMO landlords, for example, who failed the fit and proper person test, or who lost their license, would no longer be able to default into the private rented sector as they would be unable to meet the new licensing conditions. Licensing conditions would also extend to lettings agents, giving the Council greater power over problem-agencies. Other benefits would include giving the Council power to pressure landlords over their management of anti-social or criminal behaviour at their properties, and the management of waste which, hitherto, had been an area where the Council had struggled.

The standard fee of £480 was deemed to be reasonable in itself. However, the Council was also providing a series of discounts which would reduce the cost further. The early-bird discount, for example, would reduce the cost of the license to £400 for a five year license, working out to £6.67 a month – a far from onerous sum. The discount scheme was a clear effort to place the costs of the scheme where they primarily arose, chasing and taking enforcement action against non-compliant landlords, rather than penalising those who were compliant.

Inspections of properties would, due to the scale of the scheme, not be undertaken prior to the granting of a license but would be undertaken at least once within the five year license period. Complaints from tenants would increase that number.

On advice from other councils which had implemented similar schemes the consultation was being undertaken by an external company, which would provide greater assurance to participants of its impartiality. The consultation is legally mandated to run for at least ten weeks. Covid evidently presented challenges, and indeed had delayed the Council's initial plans for consultation in April, but officers were working with the consultants to deliver a consultation that effectively reached out to all stakeholder groups. Criticisms of previous consultations elsewhere had been that they had focused too heavily on hearing the views of landlords, and that tenants and the wider community's views were marginalised. Responses to consultation would inform next steps.

Ultimately, the decision whether to give permission for the scheme lay with central government. There is no statutory timescale for decision-making, but typically a response is given within three to six months. Assuming permission was given and the Council proceeded with the scheme, there would be a requirement to run a three month awareness raising and publicity exercise.

In response to the report presented, the Committee sought clarification over issues including:

- the responsibilities on landlords of the antisocial behaviour of their tenants
- whether licenses were of the landlord or of the property and the financial implications arising from that
- Council staff's interaction with non-English speaking landlords
- the potential to outlaw 'no DSS' policies through licensing conditions, for which there was little scope

The main area of discussion, however, was in regards to the efforts being made by the Council to engage in consultation those groups impacted by low housing standards but unlikely to come forward, in particular those in insecure accommodation and non-English speakers. Feedback from both Panel members and invited guests was very clear that there is a systemic power imbalance between the situations of landlords and tenants when discussing housing related issues. Those tenants least well served by landlords would at the same time be most in need of the changes selective licensing proposals seek to induce, and the least likely to be heard. Feedback from the CAB highlighted the possibility not only of formal revenge-evictions, but lower-level harassment and intimidation of tenants for crossing their landlords. Owing to this, without corrective action the response to the Council's consultation would likely have an under-representation of tenant voices, particularly amongst vulnerable tenants in the shadow rental market and those with the lowest housing standards. It was **AGREED** to make the following recommendation to Cabinet:

That the Council is mindful of the challenges to hearing the views of vulnerable tenants – those in dangerous accommodation, pseudo-tenancies and non-English speakers in particular – and that it adapts its approach to consultation to ensure their views are not overlooked.

15. Additional HMO Licensing renewal

Councillor Alex Hollingsworth, Cabinet Member for Planning and Housing Delivery, introduced the report on renewing the Council's HMO licensing scheme. It was stressed that the scheme was a renewal of an existing scheme, and had already been renewed once. Though some minor changes were being made, the biggest issue brought to the Panel's attention was that owing to Covid-19 and the lockdown, the Council had been unable to run the current consultation earlier in the year. Central government had not waived its requirement for consultation and so consequently, there would be a period prior to the new scheme being adopted where the old one would have lapsed.

Ian Wright, Head of Regulatory Services and Community Safety, introduced the technical aspects of the report. The scheme had originally been established in 2011, and whilst government policy had caught up with the scheme's policy regarding larger HMOs, it remained necessary to prove licensing was also required for smaller ones. A review of the existing scheme showed that there remained a significant number of HMOs not being managed up to standard and that a licensing scheme was required to improve standards. Non-compliance had remained stubbornly high; through spot checks, initial inspection and end of license inspections it was known that only 47% of small HMO properties were compliant. This was a slow improvement over time, but not sufficient to stop running the scheme. Numbers of non-licensed properties were also declining though still being discovered.

The Panel asked a number of questions relating to:

- Whether measures were available, particularly grants, to encourage landlords to comply with licensing requirements, rather than simply the threat of punishment. Largely, grants were no longer available bar for energy efficiency measures.

The Panel **NOTED** the report with support for it.

16. Reports for approval

The Panel considered a draft of the report written in response to the discussion held on the effect of Covid-19 on the private rented sector.

Following discussion it was **AGREED** to approve the report with a number of amendments:

- To add a recommendation 'that the Council takes whatever measures it has at its disposal, including environmental health enforcement powers, to reduce the number of unsafe homes being let out before winter arrives'
- That the Scrutiny Officer research and, if opportunity arises, add a relevant recommendation relating to strengthening the Council's response to the flouting of 'no DSS' policies in the private rented sector.
- To add a recommendation 'that the Council works with local housing support and advice organisations to draft a letter on the need for government to introduce practical policy changes to increase protection for renters, to include consideration of ending section 21 evictions and the need for a rent-freeze policy, and for the Leader to send the agreed letter to the Secretary of State for Housing, Communities and Local Government'.

17. Date of next meeting

The Panel **NOTED** the amended date of the next meeting, 08 October 2020.

The meeting started at 6.00 pm and ended at 8.10 pm

Chair
2020

Date: Thursday 8 October

When decisions take effect:

Cabinet: after the call-in and review period has expired

Planning Committees: after the call-in and review period has expired and the formal decision notice is issued

All other committees: immediately.

Details are in the Council's Constitution.