

<b>Subject:</b>	<b>The Provision of Loft Conversions and Extensions to Assist Overcrowded Council Tenants</b>		
<b>Date of Meeting:</b>	<b>7 March 2011</b>		
<b>Report of:</b>	<b>Strategic Director Place</b>		
<b>Contact Officer:</b>	<b>Name: David Rook</b>	<b>Tel: 294639</b>	
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<b>Wards Affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. SUMMARY AND POLICY CONTEXT:**

- 1.1 On 24 January 2011 the Housing Management Consultative Committee considered the proposed Housing Revenue Account Capital Programme for 2011-2014. The Capital Programme included setting aside £388,000 per annum to fund a programme of loft conversions and extensions to alleviate overcrowding in Housing Revenue Account (HRA) properties. The Programme was taken to Cabinet on 17 February 2011 and will go to Council on 3 March 2011.
- 1.2 This report sets out how a loft conversion and extension programme could operate and includes
- how the selection process might work
  - what considerations officers would need to take into account
  - whether a conversion or extension is the most suitable option for a household
  - the estimated timescales for each stage of the process from selecting the household through to the works being completed.

**2. RECOMMENDATIONS:**

- 2.1 That the Housing Management Consultative Committee recommends the selection criteria, set out in Appendix A, for approval at the Housing Cabinet Member Meeting.
- 2.2 That the Housing Management Consultative Committee recommends that the Cabinet Member for Housing awards discretion to the Head of Housing & Social Inclusion to amend the selection and prioritisation criteria in accordance with any relevant changes agreed to the council's Allocations Policy. (These will primarily concern priority for working households and those making a positive contribution to the city).
- 2.3 That the Housing Management Consultative Committee notes the key events in the process and the estimated timetable for each event to be completed, set out in Appendix B.

### **3. RELEVANT BACKGROUND INFORMATION / CHRONOLOGY OF KEY EVENTS:**

- 3.1 Brighton & Hove City Council provides approximately 12,300 homes across the city. During the course of a tenancy the composition of a household may change and this can lead to overcrowding which in some cases can be severe.
- 3.2 Reducing overcrowding by providing opportunities for households to move to larger homes or downsize as their needs change is a key goal of the council's Housing Strategy 2009-14. This is achieved by:
- Making best use of the existing housing stock, and through our Transfer Incentive Scheme, we help tenants downsize as result, we free up around 80 family homes a year for reletting, helping both homeless households and existing overcrowded households in social housing.
  - Many tenants are also helped to move through our Mutual Exchange scheme, around 30 tenants a month move by swapping homes.
  - Negotiating long-term leasing in the private rented sector. This provides the opportunity for homeless households to move into higher quality temporary accommodation than traditional B&Bs and has given more opportunity for existing council tenants to transfer, alleviating some overcrowding.
  - Supporting tenants who are having no success moving into social housing to move to the private rented sector. There is a designated overcrowding officer in the Homemove Team who supports tenants through the process of finding a new home.
  - Maximising the amount of family homes that are built on new developments is key to our Local Housing Investment Plan for 2011-14 which outlines our long term commitments to delivering new affordable homes in the City.
- 3.3 Brighton & Hove has been recognised as having concentrations of overcrowding in the private rented sector and social housing attributed to high housing costs and a shortage of larger family accommodation.
- 3.4 Demand for family homes is high in the City. The Housing and Needs Survey highlighted that 31% of housing demand that could not be met through the existing housing stock was for homes with 3 or more bedrooms. These findings are backed by the average waiting times for those being rehoused in social housing. In 2008/09, those needing 3 bedroom homes waited on average more than 1½ years to be rehoused against 9 months for those needing 1 bedroom homes.
- 3.5 The table below illustrates the high numbers of overcrowded housings on the Housing Register, 13.9% of households (1,559) are recorded as either lacking 1 or more bedrooms or bring statutorily defined as overcrowded. 366 of these are currently living in social housing.

## Applicants Overcrowded on the Housing Register

<b>Band Reason</b>	<b>Transfer Applicants</b>	<b>Applicants in the Private Sector</b>
Lacking 1 Bed (band C)	322	1075
Lacking 2+ Bedrooms (band B)	37	110
Statutory Overcrowded (band A)	7	8
<b>totals</b>	<b>366</b>	<b>1,193</b>
<i>(Total Register 11,221 households @ 16/02/11)</i>		

- 3.6 If a loft conversion or extension is not a viable solution for a particular property or household, then officers will ensure tenants are aware of the other options open to them. Where these works are viable then they will enable some households to have their accommodation needs fully met in a home and an area where they may have been settled for many years.
- 3.7 With the funding available it is anticipated that up to 10 households per year can be assisted. However this will inevitably depend on the cost and complexity of individual projects.
- 3.8 The selection criteria for determining which households will be prioritised for either a loft conversion or extension are set out in Appendix A. The criteria effectively mirror the council's Housing Register Allocations Policy in terms of the highest priority being awarded to the most overcrowded households.
- 3.9 Statutorily Overcrowded households would be awarded band A, the highest priority. Thereafter those lacking two or more bedrooms would be awarded band B and those lacking 1 bedroom band C. Within each band priority is awarded to the applicant who has been waiting the longest.
- 3.10 The current Housing Register Allocations Policy is undergoing review and a number of changes have been suggested and will also be considered by the Housing Management Consultative Committee on 7 March 2011.
- 3.11 These changes include awarding priority for 50% of all family sized properties to working households, or those who are making a positive contribution to the city. The selection criteria as set out in Appendix 1 also mirrors this prioritisation whereby 50% of loft conversions or extensions will be undertaken where the household is working or making a positive contribution to the city. The selection criteria will use the same definitions for working households and those making a positive contribution to the city and in this respect will reflect the final outcome of the Housing Register Allocations Policy Review as agreed by the Cabinet Member for Housing.

#### **4. SELECTION CRITERIA**

4.1 Please see Appendix A.

#### **5. ESTIMATED TIMETABLE FOR THE WORKS**

5.1 In terms of delivering each type of works the estimated timescales would only begin once the project has full go-ahead in terms of the feasibility and household preference.

5.2 The estimated timescales for the key events for the design and build for each type of project are set out in Appendix B.

- For loft conversions and extensions, assuming no planning permission is required, it is estimated the design and build will take approximately 9 – 10 months.
- For loft conversions and extensions where planning permission is required it is estimated the design and build will take approximately 11 – 12 months.

#### **6. CONSULTATION**

6.1 At this stage no formal consultation has taken place with tenant led groups or staff. Key staff have contributed towards this proposal including Homemove Manager, Housing Income Manager, Housing Asset Manager, Asset Project Manager and the Head of Housing & Social Inclusion.

6.2 In terms of the selection criteria significant consultation has been undertaken when reviewing the council's Housing Register Allocations Policy. The outcome of that consultation will directly feed into the Review of the Allocation Policy and the Cabinet Member for Housing's decision will be incorporated into the selection criteria for loft conversions and extensions.

#### **7. FINANCIAL & OTHER IMPLICATIONS:**

7.1 Financial Implications:

The HRA Capital Programme 2011/12 includes £0.388 million to fund up to 10 conversion or extensions per annum, with similar amounts in the following two years programmes.

An increase in a property's bedroom numbers or the value of the property, resulting from a conversion or extension, would increase the rental charge of the property. The rental charge for the property would still be following rent restructuring guidelines with the affordability safeguards in place.

*Finance Officer Consulted: Susie Allen, Principal Accountant*

*Date:15/02/2011*

## 7.2 Legal Implications:

Brighton and Hove City Council is a housing provider under the various housing acts. The majority of properties are held under the HRA scheme. The council holds the property as de facto freeholders and can make alterations and improvements as a matter of course, as long as these meet appropriate building regulations and fire safety requirements and these must form part of any arrangements which are put in place.

Any improvements made to a property will in most cases be subject to the right to buy. The length of time before that right arises will depend on the date of the tenancy. After 2005 it will be 5 years. This means that any work undertaken may not be a long term benefit to the Council if the right to buy is exercised.

It may be prudent to reconsider the question of conversions to flats when the experience with houses has been reviewed.

With increased space available the nature of the property is changed and consideration should be given to whether to increase rents. Under s102 of The Housing Act 1985 the terms of a tenancy (rent) can be varied by agreement ( so it could be a term of any work); under s1 of the current tenancy agreement we have reserved the right to increase rent.

Within the criteria the relevant commissioner has been given discretion to make decisions outside the criteria. This is permissible as long as the decision making is clear and transparent and properly recorded. He has the authority under delegated powers and a properly exercised discretion, would not open us up to Judicial review.

*Lawyer Consulted: Simon Court, Senior Solicitor*

*Date: 15/02/2011*

## 7.3 Equalities Implications:

There will be cases where an overcrowded household has not applied for a transfer and as such their housing need will not be registered. An Equalities Impact Assessment will be undertaken to identify such problems and to develop a selection procedure that does not exclude households in this position.

## 7.4 Sustainability Implications:

The creation of new habitable loft rooms, or extensions, will bring two key opportunities for improvement to the environmental performance of each property. Firstly, through constructing to current building regulations, and upgrading where required, and secondly by examining the potential for additional benefits to be integrated into projects. For example, whilst scaffolding is in place, there is the possibility to install solar thermal or photovoltaic (PV) panels, where the roof space and direction are suitable.

## 7.5 Crime & Disorder Implications:

There are none.

## 7.6 Risk and Opportunity Management Implications:

The types of work described are likely to have a significant impact on residents during the construction phase. As such, housing officer and

management support, and possible decant, may be required in a number of cases. Each project also brings the opportunity to improve homes to a modern standard, and will link with the wider decent homes and capital investment programmes across the city.

**7.7 Corporate / Citywide Implications:**

This scheme aim to help tackle overcrowding in the city and the impact it has on households and other services. Research by the ODPM (“The Impact of Overcrowding on Health & Education: A Review of the Evidence and Literature”, ODPM, 2004) identified that there are links between overcrowding and physical health concentrated in mortality rates, respiratory conditions and tuberculosis.

Shelter surveyed 505 overcrowded families as part of their research (“Full House, Shelter, 2005)with the majority of respondents stating that overcrowding had a direct impact on their households health, will being and educational attainment.

**8. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

- 8.1 The alternative to the amendments would be not to provide loft conversions or extensions to alleviate overcrowding in council properties. for the policy to remain as per the current policy. This however would not make best use of the housing stock.

**9. REASONS FOR REPORT RECOMMENDATIONS**

- 9.1 The recommendations have been made so that through the Capital Programme we can ensure that best use is made of council stock and we are better able to help tenants who live in overcrowded conditions.

**SUPPORTING DOCUMENTATION**

**Appendices:**

Appendix A, which sets out the selection criteria for properties and households

Appendix B, which sets out the key events and estimated timetable for those events in the design and build of the works.

**Documents In Members’ Rooms**

None

**Background Documents**

None