

## Private Sector Housing Financial Assistance Delivery

### Impact on services following any loss of Capital Funding

#### Highlights Summary

	Portsmouth	National
<b>Percentage of Homes failing to provide safe, secure and a healthy living environment</b>	<b>36.8%</b>	<b>27.1%</b>
<b>Percentage of population, classified as a vulnerable household, living in non decent homes</b>	<b>41.2%</b>	<b>33.9%</b>

Unless action is **ongoing** to reduce poor housing conditions, the overall health and well-being of residents will suffer, with the vulnerable groups, such as children and the elderly being affected to a greater extent.

		2012/13	2013/14	2014/15	Annual pressures if shortfall not covered
<b>Support for Vulnerable People</b> (Disabled Facilities Grants / Palliative Care Loans)	<b>Total Cost</b>	2,276,248	2,320,115	2,380,093	<b>£1.8M</b> of additional cost to Adult Social Care  <b>£10.3M</b> 3yr Cumulative Adult Social Care cost
	<b>Funding Secured</b>	993,477	1,002,556	1,024,449	
	<b>Shortfall Requested</b>	1,282,771	1,317,559	1,355,644	
<b>Decent Homes</b> (Enforcement, Falls from stairs, Falls on a level, Crowding and Space, Safe & Secure, HMOs)	<b>Total Cost</b>	3,246,179	3,098,145	2,986,903	<b>£0.7M</b> of additional cost to NHS  <b>£2.1M</b> 3yr of Cumulative NHS cost  <b>£0.8M</b> of additional cost to Adult Social Care  <b>£4.8M</b> 3yr Cumulative Adult Social Care cost
	<b>Funding Secured</b>	327,474	375,931	438,916	
	<b>Shortfall Requested</b>	2,918,705	2,722,214	2,547,987	

## **Private Sector Housing Financial Assistance Delivery**

### **Impact on services following loss of Capital Funding.**

#### **1.0 Background.**

- 1.1 The Private Sector Renewal budget, financed through the Housing Investment Program (HIP) and more recently with additional finance from the Regional Housing Board, has been responsible for significantly improving the city's privately owned housing stock for decades. However, the Government have now stopped their financial support for Housing Renewals
- 1.2 Residents of Portsmouth have been supported for more than 30 Years with capital investment made available by the city council to ensure that the accommodation they are living in is suitable and ensuring that their health, safety and welfare is not compromised due to poor housing conditions.
- 1.3 Providing continual funding for ensuring that residents of Portsmouth live in properties which do not affect their health, safety or welfare must be a key priority for Portsmouth; to enable the city to regenerate and ensure that current services provided for vulnerable people do not become over stretched due to inadequate investment in the private sector housing market.
- 1.4 The provision of continual funding for a Housing Renewals program must be introduced to ensure that the continuity of help and support is available to our most vulnerable residents. Due to its nature improving properties so they do not compromise the health, safety and welfare of occupants is something that cannot be stopped and restarted due to possible funding pressures, as this methodology would not create a coherent and client focused service.

#### **2.0 Current Housing Problem:**

- 2.1 For a number of years, it has been Government Policy that everyone should have the opportunity of living in a decent home.
- 2.2 A House Condition Survey undertaken in 2008, showed that Portsmouth had:
  - 10,100 (Represents 14.7% of the housing stock) dwellings with category 1 hazards
  - 5,200 (Represents 7.5% of the housing stock)dwellings in need of repair
  - 1,900 (Represents 2.7 of the housing stock) dwellings lacking modern facilities
  - 18,200 (Represents 26.5% of the housing stock) dwellings with poor degree of thermal comfort.

- 2.3 Overall 36.8 % of the homes in Portsmouth fail to provide safe, secure and a healthy living environment, compared to 27.1 % nationally. Unless action is ongoing to reduce poor housing conditions, the overall health and wellbeing of residents will suffer, with the vulnerable groups, such as children and the elderly being affected to a greater extent.
- 2.4 Currently it is estimated that 41.2 % of the population of Portsmouth, classified as a vulnerable household, live in homes that will affect their short and long term health compared with 33.9 % nationally.
- 2.5 It is a fact that if financial assistance is not provided in some form to help vulnerable persons maintain, adapt or improve their properties, then this decision would have a direct financial effect on budgets and services within Portsmouth City Council and other partner agencies such as Hospitals Trusts, PCTs, GP Practices and Police.
- 3.0 **Housing Condition Assessment.**
- 3.1 Introduced in the Housing Act 2004, the Housing, Health and Safety Rating System (HHSRS) is a means of identifying defects (Deficiencies) in a dwelling and evaluating the potential effect of any defect on the health and safety of occupants, visitors or neighbours. The system provides a means of rating the seriousness of any hazard, so it is possible to differentiate between minor and immediate treats of major harm. The emphasis is placed on the potential effect of any defect on the health and safety of people, particularly those who might be regarded as vulnerable.
- 3.2 The 29 potential housing hazards have been split into 4 main areas covering Physiological Requirements, Psychological Requirements, Protection against Infection and Protection against Accidents.
- 3.3 Although the vulnerable groups within the HHSRS have only been defined by particular age groups, Under 5, Under 14 and Over 65, it is these age groups that have been identified as more susceptible to health problems, which can be linked directly to poor housing conditions.
- 3.4 The HHSRS Compliments the decent homes standard and **each local authority has a mandatory duty to remove all category 1 hazards** from any residential property, which includes owner occupied as well as private rented dwellings. Failure to maintain this service could see a reduction in the overall grant that Portsmouth City Council receives for dealing with mandatory duties.
- 4.0 **Public Health.**
- 4.1 Poor health can often be affected by or as a result of the condition of the dwelling residents are living within. This can be just their physical well-being but can also affect mental health as well.
- 4.2 The Private Sector Housing service work closely with Adult Social Care to ensure that accommodation is suitable for residents to live in, especially when they are being discharged from hospital and their home is not suitable for them

to move back to . In these situations a care package alone is insufficient to allow the resident to live independently.

- 4.3 Failure to maintain a Private Sector Housing Renewals programme, would have a serious detriment on the help that must be provided to assist vulnerable persons. If it were not, it would result in residents not being able to return to their homes and being placed in permanent residential care or having to stay in hospital longer until suitable accommodation can be sourced, through social housing means; thus creating more pressure on young families who are looking for assistance from the public sector to provide suitable accommodation.

#### 5.0 **Private Sector Housing Renewals programme.**

Under the current policy for providing financial help to residents which has been refined over many years, there are a large number of packages and models that have been made available to enable residents including vulnerable people to access financial support to improve or adapt their homes. These include: -

#### 5.1 **Disabled Facilities Grants**

- 5.1.1 Disabled Facilities Grants (DFGs) are mandatory and the council receives a capital grant to assist in their provision. During the last 4 years we received total grant of £2,672,000 the demand for which led to 755 **adaptations** and an actual spend of £4,318,821.

- 5.1.2 This level of activity was enhanced by a further £1,646,821 from the city council's Housing Investment Programme (HIP).

- 5.1.3 Using the monies received in 2010 – 2011 at an average cost of £6126.57 per grant assistance, the team have been able to install the following adaption's:

- 14 extensions to provide suitable bathroom and sleeping arrangements for elderly person to remain in their home.
- 62 stair lifts of differing types.
- 12 through floor lifts to enable access to first floor amenities.
- 43 level access showers.
- 16 Adaption's to kitchens to allow them to be used safely by the occupant.
- Ramping and general access enhancements to a person's property.
- Increasing accessibility within the property for wheel chair users.

#### 5.1.4 ***Impact on service following loss of capital funding:***

- 5.1.5 A reduction in funding would mean, on last year's provision, **over 269 disabled people not receiving a grant** immediately. It would mean the introduction of waiting lists and increased pressure on Social Care services not only in terms of residential and care in the home but also their Occupational Therapy provision.

5.1.6 Enforcing a deal on adapting a property to allow the occupant to receive care at home or enable them to live a full life as possible, would have a effect on their health, which even with a 12 month delay could see a significant deterioration in their health and wellbeing.

5.1.7 The cost of residential care is £300.00 per week per person which over a year would total £15,600, which in itself could provide 3 average value DFGs. If 50% of the adaption's are not funded, this could result in an overall spend of £1,600,000 in residential care.

## 5.2 **Disabled Facilities / Palliative Care loans.**

5.2.1 During the last 4 years the Private Sector Renewal budget also supported disabled people by providing £519,726 of discretionary loan assistance to meet their grant contribution which help 67 disabled persons remain in their own home. £112,007 of discretionary assistance was also made available for replacement stair-lifts and provisions for people in palliative care. This enabled another **47 people** to retain their independence.

### 5.2.2 ***Impact on service following loss of capital funding:***

5.2.3 A reduction in funding would mean these discretionary loans could no longer be funded. The result would be more people losing independence and going into residential care: an increase in home care packages due to home carer loss: greater delays to hospital discharges: people remaining in hospices and an increase in demand for care packages.

If 50% of the above loans and grants were not funded (Total cost of £355,390) an additional spend from the Social Care budget of £1,000,000 for residential care could be required over those 4 years.

The estimated cost to keep a person in hospital for the NHS is £88,000 per annum, not including medical care.

## 5.3 **Decent Homes / Category 1 hazards (HHSRS) Assistance.**

5.3.1 During the last 4 years, **2027 households** received help with new heating, insulation and kitchen and/or bathroom installations under the provisions of our financial assistance policy. **Nearly half (1087) of those properties were made decent** as a result of that assistance.

of those were for the homes of pensioners, disabled people and families with young children, inevitably improving their health, safety and well-being.

### 5.3.2 ***Impact on service following loss of capital funding:***

5.3.3 We would not be able to assist at least three quarters of those families (**1356**) to **mitigate Category 1 hazards or achieve a decent home**. The only option available to the city council would be to **fully exercise its duty under Section 5, Housing Act 2004 where “[They] Must take the appropriate enforcement action in relation to the hazard”**. Although Schedule 3, Part 2, Housing Act 2004 states that if an improvement notice has not been complied with the authority may undertake the work themselves without agreement. Currently, our policy is to undertake all works required to ensure that the property does not affect the health, safety and welfare of the occupant. Continuing this would

**result in an increase of spend from general capital funding or potentially cause financial hardship as the full cost of the works would need to be recovered from residents, many of whom are financially and physically vulnerable.**

#### 5.3.4 Using the funding provided;

- 267 under 14 year olds had works undertaken to their homes to remove mould growth and dampness, which could have caused long term health problems to them.
- 356 over 65 year olds were provided with an effective and efficient heating system.
- 467 households had works undertaken to their gas boilers to remove the possibility of carbon monoxide poisoning.
- 92 households had improved security measures undertaken to their properties to remove the psychological threat of entry by intruders.
- 196 under 5 years olds were provided with proper amenities to remove the risk of gastro-intestinal illness.
- 429 over 65 years olds had general improvements undertaken to reduce the risk of falling within their own home.
- 95 under 5 year olds were provided with a safe electrical system within their home.
- 303 over 60 year olds had works undertaken to their properties to remove the risk of fire occurring or spreading within the property.

#### 6.0 **Specific costs for hazards.**

- 6.1 The loss of proactive financial support to the community has direct additional cost implications to the NHS, when assessments are made looking at 3 specific hazards found within the HHSRS.
- 6.2 If £110,670 is invested annually in dealing with excess cold problems within dwellings, by installing a full central heating system, the NHS has a direct annual saving of £542,436, through reduced admissions and medical costs. Over the last 4 years, would have resulted in a saving of more than £2.1 million for the NHS. **Statistically, this investment would see a reduction in the number of deaths due to cold by 13 persons.**
- 6.3 If £12,000 is invested annually in dealing with falls from stairs within dwelling, by installing a second handrail, fixing carpets, reducing the gap between spindles, the NHS would have a direct annual saving of £34,200, through reduced admissions and medical costs. Over the last 4 years of the program, would have resulted in a saving of more than £112,000. The cost of installing a second handrail to a stair case can cost as little as £175.00 fitted, but on average saving £687.00 for the NHS.

- 6.4 If £18,700 is invested annually in dealing with falls on a level within dwelling, by improving internal and external lighting, fixing carpets, removing trip hazards or reducing uneven steps the NHS has a direct annual saving of £150,200, through reduced admissions and medical costs. Over the last 4 years of the program, would have resulted in a saving of more than £450,000. Dealing with a single hip fracture costs the NHS £4,760 and if a complication arises the cost to Adult Social Care could be as much as £15,600 to provide one year's residential care per person.
- 6.5 If funding had not been available and 50% of the over 65 years old help had fallen, this would have resulted in a spend of £3,000,000 to Adult Social Care and the NHS, in providing medical assistance and suitable care provision.
- 6.6 Also, if the deficiencies within the dwellings have not be resolved, then the person who has suffered the accident could be returning to a dwelling which is not suitable for their needs or the hospital could be compelled not to discharge the resident as soon as they would like, which can cause further funding implications and operational difficulties (Bed blocking).
- 7.0 **Other Impact areas - HHSRS:**
- 7.1 The HHSRS does not only look to protect occupants from physiological incidents or protect them from accidents, it also looks at the **wider psychological problems that can occur due to poor housing conditions**. In some cases it is very difficult to place an exact cost in dealing with these hazards, but each of the following hazards **all have some health affects, that would have to either be treated medically or through other social care means**. In some cases, as with crowding and space, it is the long term **development of the city and business** that could be affected due to say poor educational achievement.
- 7.2 **Crowding and Space:**
- 7.2.1 The lack of space and living in overcrowded conditions have been linked to a number of health problems, **including psychological distress and mental disorders**, especially those associated with a lack of privacy and childhood development.
- 7.2.2 Research confirms that crowded housing conditions can also result in **increased heart rate, increased perspiration, reduction of tolerance and the reduction in the ability to concentrate**. Living in an overcrowded property can also increase the risk of accidents occurring and the spread of contagious disease.
- 7.2.3 Although a specific cost cannot be quantified in dealing with this problem. Failure to undertake remedial measures would see an increased cost in resource input to **Social Care, Anti Social Behaviour response, Housing Management, Police and the Education Service**. Slow or no reaction to overcrowding issues, could also see a slowdown in the economic well-being of the families concerned

### 7.3 **Safe and Secure Dwellings.**

- 7.3.1 Portsmouth is a very diverse city and we have some areas that are statistically more prone to criminal activity than other. The lack of investment into the private housing market relating to entry by intruders could see these areas expand due to socio-economic circumstances. It is **normally households on low income or vulnerable persons who are at greater risk from burglary or have a greater fear that burglaries could occur within their community.**
- 7.3.2 Again specific costs cannot be placed on this hazard, but it is estimated that an overall of cost £3,600 per incident is a reasonable estimate of the cost to the occupant, insurance companies and the local authority services.
- 7.3.3 Failure to provide financial support for remedial measures to be undertaken to a property, would see an increase in **resource commitment for Hampshire Police, Hampshire Fire and Rescue Service, ASBT and the NHS.**

### 8.0 **Fuel Poverty / Carbon reduction**

- 8.1 Private Sector Renewal contributes to broader corporate issues – Fuel Poverty, Energy Efficiency and Carbon reduction. In the last 3 years a total of £572,701 was spent introducing energy saving measures into family homes resulting in **1130 tones of CO2 being saved and 137 families being lifted out of fuel poverty.**
- 8.2 Not all help provided can be specifically measured; but through the funding provided we can undertake a wide range of direct communication with a number of residents, across the market providing invaluable help and assistance to ensure they reside in warm properties. This type of approach is low cost to Portsmouth City Council, but has a high impact for residents.
- 8.3 Work is on going with freeholders of large converted properties to provided financial assistance to enable the installation of solar energy panels, which will help to reduce the carbon footprint of Portsmouth. Also through the Landlord Accreditation Scheme, we are working with letting agents to create the first “Green Agent” in Portsmouth, where they will only let properties with an EPC band of D.
- 8.4 ***Impact on service following loss of capital funding:***
- 8.5 With the rise in fuel prices, on average 17% we will see a considerable rise in the number of vulnerable households being in fuel poverty within the city over the next 12 months. This will have a dramatic effect on the number of low income families within the city not being in a position to heat their homes effectively due to the worry caused of high fuel bills and the inability to fund such.
- 8.6 Reducing the funding of this service would **prevent this activity being delivered** and to reduce funding in this area would appear to be in conflict with any Carbon Reduction Programme.



## 9.0 **The Private Rented Market.**

- 9.1 The private rented market is an essential part of the overall housing market and continues to expand. It certainly relieves some of the strain on the council and Housing Associations in providing much need accommodation for families, single persons and students.
- 9.2 It is clear that the private rented market houses people, who are some of the most vulnerable persons within the city and the statistical information from the house condition survey shows that it houses more vulnerable persons than any other sector within the city.
- 9.3 Landlords are business people and will usually invest in their assets. However not all are capable of doing so or are reluctant to do so. In order that all the housing stock in the city is improved, the HIP currently provides financial assistance to landlords, who either want to improve their accommodation to a higher standard than average or to convert properties into suitable accommodation. If assistance is provided, the city council normally expects nomination rights to some or all of the properties for a period of time.
- 9.4 Working with the private rented sector in the last 4 years some **132 private letting were brought up to the current standard** with Private Sector Renewals Assistance. Further activity in this sector has seen **79 empty properties renovated and brought back into, with 35 for social housing.**
- 9.5 **Every £1,000 of grant money spent in this way creates on average a further £1,850 of private sector investment.**
- 9.6 ***Impact on service following loss of capital funding:***
- 9.7 Without the investment this work would be curtailed with the likelihood of an **increase enforcement action**, such as Prohibition Orders or Improvement Notices, which could and has done resulted in landlords removing tenants from properties (Retaliatory evictions), which would see an increase in requests for re housing and this an **impact on the Homelessness budget, Housing Management and providing suitable accommodation for vulnerable groups to be able to be reintegrated into society or for young person's to live independent lives**, would be harder to source due to increased demand on housing and increased market rent payable.

## 10.0 **Houses in Multiple Occupation.**

- 10.1 These types of properties house at least 3 separate household, who share amenities (Kitchen or bathroom). Financial assistance is available to help owners of Houses in Multiple Occupation, to ensure that all fire protection requirements are in place within the property, as well as improving the energy efficiency of the properties.
- 10.2 ***Impact on service following loss of capital funding:***
- 10.3 Providing fire protection does not enhance the value of a property, but does dramatically increase the likelihood that occupants of the property will not die,

should a fire occur within the property. The fires that have occurred within Portsmouth in Houses in Multiple Occupation over the last 3 years have not thankfully resulted in the loss of life. However, all the properties concerned had full fire protection. Following information from Hampshire Fire and Rescue Service, **if the fire protection was not in place, at least 14 persons probably would have lost their lives due to fires in HMO's in Portsmouth over the last 3 years.**

#### 11.0 **Private Sector Housing Stock Condition Survey.**

11.1 It is a government requirement that a local authority has appropriate knowledge on its total housing stock and that a survey is properly conducted every 5 years.

#### 11.2 ***Impact on service following loss of capital funding:***

11.3 Failure to fund this would result in a revenue pressure to continue to carry out this statutory service.

#### 12.0 **Other Incentives:**

##### 12.1 **Community Alarms**

12.1.1 This part of the Housing Investment Programme supports the replacement and updating of essential kit to maintain Portsmouth City Councils personal alarm system used by more than 1,000 residents in private sector housing. The equipment needs updating & replacing as part of the service agreement with the customer.

#### 12.1.2 ***Impact on service following loss of capital funding:***

Failure to replace existing equipment will ultimately lead to the cessation of the service, leading to the loss of all related revenue income and affect our current ability to keep vulnerable people independent of extra social care for longer, which continues to represent a cost saving to Portsmouth City Councils. Without purchasing new alarms and allowing growth to the service, Portsmouth City Councils will lose the opportunity to increase its customer base and continue to use this service to help meet its corporate priorities regarding vulnerable people.

It will also cause serious reputational damage for the city council

##### 12.2 **HomeCheck**

12.2.1 The Homecheck team carry out around 1,800 home safety and security visits annually. This funding pays for the materials used by the technicians on Homecheck visits and minor adaptation work. This safety and security work helps build confidence and assist elderly people maintain their independence in their own homes. This area of work helps to achieve both the outcomes identified in the Ageing Population Strategy and Community Safety strategy

#### 12.2.3 ***Impact on service following loss of capital funding:***

12.2.4 Without this funding, the home safety equipment, and the equipment and materials used in making homes safe would not be provided. Families would

not benefit from home safety measures, and would be at greater risk of the need of services provided by Social Care and the PCT. Home safety expenditure to prevent accidents and promote wellbeing is intended to avoid the higher spending in the event of admission to care or hospital.

### 13.0 Wider Picture.

13.1 Better Housing: Better Health – Ensuring that dwellings in Portsmouth meets the needs of its residents through direct financial support has quantifiable evidence of the health benefits associated with improved housing and can be linked to improved communities, reducing crime, improving employment opportunities and educational achievement.

13.2 These links could also be expanded to cover anti-social behaviour and vandalism. Furthermore, stress is a health issue, which can be linked to a number of the hazards found within the HHSRS and can be linked to bullying, truancy, under performance at school, unemployment or absence at work. However, many of these issues can be resolved through minimal investment in the housing market by Portsmouth City Council and thus allowing the city to grow further into an economic vibrant city; Housing is one of the main factors that help to start and allow continual regeneration growth in any city. Good quality, affordable housing will attract companies and workers to the area, which in turn will help to rejuvenate the local economy.

13.3 Portsmouth City Council has a number of corporate priorities set for the authority as a whole to achieve. The Housing Renewals program works directly with the following :

- Reduce crime and the fear of crime.

By improving security in a person's home. By helping residents live in decent homes, which has been proven reduces the overall crime rates within a community.

- Increase availability, affordability and quality of housing.

We are doing more with less; by introducing schemes such as the Landlord Accreditation Scheme and the landlord loans, we are ensuring that business take a lead in supplying quality accommodation in the private rented sector.

By providing funding for owner occupiers, we are ensuring the long term viability for Portsmouth to be able to provide good quality accommodation for young persons.

- Protect and support our most vulnerable residents.

By providing financial support we allow our residents the choice to live in their own homes that meets their needs, rather than one that would affect their health.

We also help low income families to move out of fuel poverty, which will become more wide spread within the city due to the increase, and continual increase over future years of fuel.

- Raise standards in English and maths.

A home which meets the occupants basic needs, such as heating, space and amenities has been proven to allow children to accomplish more throughout their educational life and thus contributing more to society throughout their adult life, than children who have been raised in poor housing.

- Regenerate the city.

Commerce is the key to enable Portsmouth to continue its regeneration program. Housing has to be looked as the key stone to enable the regeneration strategy to work. Ensuring the children of today are in the best position to live, work and be part of ensuring that Portsmouth has a sustainable economy has to be the long term goal for any authority. If the continual work of the Housing Renewals program is cut short, this would have a detrimental effect on the long term sustainability of Portsmouth.

- A cleaner and greener city.

Where communities live in good quality housing, it has been proven that the environment they use is cleaner as the residents become more “productive” in maintaining the look of their homes and the public green areas provided.

Continuing the Housing Renewals Program ensures that residential areas within Portsmouth are maintained, improved and regenerated so that all residents again can take pride in living in Portsmouth.