



# NOTICE OF MEETING

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**CABINET MEMBER FOR HOUSING AND PREVENTING HOMELESSNESS**

**MONDAY, 25 JANUARY 2021 AT 3.30 PM**

**VIRTUAL REMOTE MEETING**

Telephone enquiries to Anna Martyn Tel 023 9383 4870  
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## **Membership**

Councillor Darren Sanders (Cabinet Member)

Councillor Cal Corkery

Councillor Scott Payter-Harris

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(NB This agenda should be retained for future reference with the minutes of this meeting).

Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: [www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

**Deputations by members of the public may be made on any item where a decision is going to be taken. A written deputation stating which agenda item it refers to must be received by the Local Democracy officer named on the agenda by 12 noon two working days preceding the meeting. Any written deputation received will be sent to the Members on the relevant decision making body and be referred to and be read out at the meeting. Email requests are accepted.**

## **AGENDA**

- 1 Apologies for absence**
- 2 Declaration of interests**
- 3 Council Housing Budget (including rents) 2021 / 2022 (Pages 9 - 46)**

## Purpose

1. The law requires that all income and expenditure relating to Council Housing is accounted for separately in the Housing Revenue Account (HRA). All other Council income and expenditure is accounted for together in a separate account called the General Fund. This report deals solely with the HRA.
2. The City Council has delegated the function of setting rents, charges and revenue budgets for Council Housing to the Cabinet Member for Housing and Preventing Homelessness. Following consultation with residents and leaseholders, this report seeks to deal with all HRA budget issues.
3. The purpose of this report is to seek the Cabinet Member's decisions on Council Housing budgets, rents and other charges and to give authority for managers to incur expenditure in 2021/22.
4. The report also seeks to:
  - Note the Forecast Revenue Outturn for 2020/21 and give authority to the Director of Housing, Neighbourhood and Building Services & the Director of Finance and Resources to amend the budgets to reflect the latest available information prior to finalising budgets for 2021/22.
  - Note the Forecast Revenue Budgets for 2022/23 to 2023/24 arising from the proposals set out in this report.
  - Set rents in accordance with Central Government's social rent setting policy.

## **RECOMMENDED that the Cabinet Member approves the following**

- (i) The Forecast Revenue Outturn for 2020/21 arising from monitoring discussions with Managers, as set out at Appendix 3, be noted.**
- (ii) All rents and charges to be effective from 1st April 2021 or such other date as determined by the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources.**
- (iii) Dwelling Rents for 2021/22 to be set in accordance with Central Government's Social Rent Policy.**
- (iv) General Service Charges for 2021/22 to be set at this meeting, as set out in this report, and in accordance with Appendix 5.**
- (v) Sheltered Housing Service Charges for 2021/22 to be set at this meeting, as set out in this report, and in accordance with Appendix 6.**

- (vi) **Laundry Charges for 2021/22 to be set at this meeting, as set out in this report, and in accordance with Appendix 7.**
- (vii) **Heating Charges for 2021/22 to be set in accordance with Appendix 8.**
- (viii) **Garages and Parking Site Rents for 2021/22, as shown in Appendix 9, be approved and authority to let garages at reduced rents where demand is low be delegated to the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources.**
- (ix) **The Revenue Budget for 2021/22, as set out in Appendix 3, be approved and authority given to the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources to amend the budgets to reflect the latest available information prior to finalising budgets for 2021/22.**
- (x) **The relevant Managers be authorised to incur expenditure in 2021/22.**
- (xi) **The Forecast Revenue Budgets for 2022/23 and 2023/24 arising from the proposals contained in this report, as set out in Appendix 3, be noted.**

#### **4 Cabbagefield Row Housing Development (Pages 47 - 50)**

##### **Purpose**

1. To ask that the Cabinet Member for Housing and Preventing Homelessness notes that the Cabbagefield Row development scheme is now ready to proceed to outline planning consent.
2. That the Cabinet Member for Housing and Preventing Homelessness notes that the planned development is for circa 150 council housing dwellings to be held within the Housing Revenue Account on the land known as Cabbagefield Row, Havant.
3. To seek approval of a capital spend of £260,000 to deliver outline planning consent for a development of circa 150 council housing dwellings on the land known as Cabbagefield Row, Havant.

##### **RECOMMENDED that the Cabinet Member**

1. **Approves Housing Revenue Account (HRA) Capital Expenditure of £260,000 to deliver outline planning consent for a development of circa 150 council housing dwellings on the land**

known as Cabbagefield Row, Havant.

2. **Notes that a further report will be brought once outline planning consent is achieved to detail the consent and to request permission for the build and future capital spend. The build standard and make up of units will also be included in the future paper as they are not yet decided.**

## **5 Private Rental Sector Strategy (Pages 51 - 160)**

### **Purpose**

1. The purpose of the report is to present the City Council's strategy for the Private Rental Sector (PRS) in the city for approval.
2. The report provides an executive summary, objectives and actions as outlined in the strategy document.
3. The report contains the outcome of the consultation undertaken during September 2020 - November 2020 of the draft Private Rental Sector Strategy.

### **RECOMMENDED that the Cabinet Member**

1. **Notes the consultation feedback on the draft Private Rental Sector Strategy amounting to 458 responses.**
2. **Approves the Private Rental Sector Strategy 2021- 2026 for Portsmouth. (Appendix 1) and agrees the final strategy will be published on the PCC website.**
3. **Approves the implementation of the actions within the strategy and delegates to the Director for Housing Neighbourhood and Building Services the ability to deliver those actions within existing resources or to provide necessary information to allow the Cabinet Member to make decisions in relation to any requirement for additional resources necessary to implement these actions.**
4. **Approves that the following actions that were included in the 2020 PRS consultation are prioritised as they received the highest level of support. These actions are outlined in sections 6.7 & 7.3 of this report but are summarised below.**
  - I. **Unlicensed HMOs: To continue to deal proactively when an unlicensed HMO is reported (88% of consultation respondents said very high or high priority) and Professional standards of regulation: Ensure that officers responsible for regulating the PRS are trained to a professional standard and capable of meeting the needs of the strategy (84% of respondents said very high or high priority). These actions are expected to be achieved in year one of the strategy.**

- II. **Workshops: (A) To work with landlord groups to provide workshops on how to be a good landlord. (B) To work with tenancy groups to provide workshops on how to be a good tenant, aimed at helping a tenant to maintain a tenancy (76% of respondents said very high or high priority) and Mediation: Create a mediation service between landlords and tenants to help improve security of tenure. (72% of respondents said very high or high priority). These actions are expected to be achieved in year one of the strategy.**
  - III. **That the following action is also brought forward as it will help to support people to find homes in PRS as the impact of the lifting of the COVID-19 eviction ban is felt. Financial support: To undertake a pilot of the rent deposit and bond scheme. This action is expected to be achieved in quarter one of 2021/22.**
5. **Notes that the following additional actions are expected to be achieved by 31 March 2022. These actions are summarised. Full details are in section 6.8 of this report. These actions are expected to be delivered within current budgets.**
- I. **Communication/information: To provide information for tenants, expand the current website, investigate a single communications and web strategy with stakeholders.**
  - II. **Governance: To develop the current HMO governance board into a multi-agency partnership group to oversee this strategy**
  - III. **Shared services: To work with stakeholders to increase the understanding of the services that could be provided across Portsmouth to support the PRS.**
  - IV. **Council internal processes: To implement the revised supplementary planning document for HMOs. Review enforcement policies to make them more transparent. Work with other local authorities to find new ideas to support the PRS. Ensure that data sharing is maximised within legislation.**
  - V. **Pilots: To approach the MHCLG to look for support for the implementation of this strategy, including piloting some of the changes identified in section 7 of this report.**
  - VI. **Additional licencing for HMOs: A Decision will be required on the appropriateness of a consultation on reintroducing additional licencing for HMOs. This decision is anticipated to be made in the summer or early autumn of 2021 as the PRS becomes more stable and we move away from the pandemic. Further information is contained in section 7.3.5 of this report.**

**6 Pathway for rough sleepers and purchase of associated property (Pages 161 - 182)**

Purpose

1. To present and seek approval for the long-term change in the pathway model of support for rough sleepers to leave the streets and find accommodation.
2. To seek approval to use government grants to procure support services needed to safely and efficiently operate the accommodation.
3. To seek approval to use government grants to support the acquisition of a portfolio of accommodation (formerly student accommodation) which will be repurposed for use within the pathway.

**RECOMMENDED that the Cabinet Member**

1. **Approves the new pathway model to support rough sleepers in the city, as outlined in section 4 of the report.**
2. **Approves the use of the Next Step Accommodation Programme (NSAP) grant to procure support services for the pathway for 2021-2024, as outlined in section 4 of this report.**
3. **That the Cabinet Member for Housing and Preventing Homelessness approves capital expenditure of £7,311,200 in addition to the NSAP grant funding of £2,152,100 to purchase a portfolio of accommodation (formerly student accommodation) comprising three properties, known as The Registry, St Michaels Road; 155-157 Elm Grove and Kingsway House, Elm Grove, creating accommodation for 110 self-contained rooms (bed spaces) for rough sleepers.**
4. **That the Cabinet Member for Housing and Preventing Homelessness delegates authority to the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources & S151 Officer to negotiate the acquisition of the portfolio of accommodation and to commission the necessary works to ensure the buildings are fit for purpose to accommodate rough sleepers, whilst ensuring that the schemes remain financially viable.**

**7 Full Fibre to Home - City Fibre (Pages 183 - 188)**

Purpose

The report is for information only and provides the Cabinet Member for Housing and Preventing Homelessness with an update on the progress of the Full Fibre to the Home installation project by CityFibre in Portsmouth and detail the impact on HRA communal blocks.

Date Not Specified

# Agenda Item 3



**Portsmouth**  
CITY COUNCIL

**Title of meeting:** Housing and Preventing Homelessness Cabinet

**Date of meeting:** 25<sup>th</sup> January 2021

**Subject:** COUNCIL HOUSING BUDGET 2021/22

**Report by:** James Hill - Director of Housing, Neighbourhood and Building Services  
Chris Ward - Director of Finance and Resources

**Author:** Wayne Layton - Finance Manager

**Wards affected:** All Wards

**Key decision:** Yes

**Full Council decision:** No

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## 1. Purpose of report

- 1.1 The law requires that all income and expenditure relating to Council Housing is accounted for separately in the Housing Revenue Account (HRA). All other Council income and expenditure is accounted for together in a separate account called the General Fund. This report deals solely with the HRA.
- 1.2 The City Council has delegated the function of setting rents, charges and revenue budgets for Council Housing to the Cabinet Member for Housing and Preventing Homelessness. Following consultation with residents and leaseholders, this report seeks to deal with all HRA budget issues.
- 1.3 The purpose of this report is to seek the Cabinet Member's decisions on Council Housing budgets, rents and other charges and to give authority for managers to incur expenditure in 2021/22.
- 1.4 The report also seeks to:
- Note the Forecast Revenue Outturn for 2020/21 and give authority to the Director of Housing, Neighbourhood and Building Services & the Director of Finance and Resources to amend the budgets to reflect the latest available information prior to finalising budgets for 2021/22.
  - Note the Forecast Revenue Budgets for 2022/23 to 2023/24 arising from the proposals set out in this report.



- Set rents in accordance with Central Government's social rent setting policy.

## **2. Recommendations**

It is recommended that the Cabinet Member for Housing and Preventing Homelessness approves the following:

- (i) The Forecast Revenue Outturn for 2020/21 arising from monitoring discussions with Managers, as set out at Appendix 3, be noted.
- (ii) All rents and charges to be effective from 1st April 2021 or such other date as determined by the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources.
- (iii) Dwelling Rents for 2021/22 to be set in accordance with Central Government's Social Rent Policy.
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- (v) Sheltered Housing Service Charges for 2021/22 to be set at this meeting, as set out in this report, and in accordance with Appendix 6.
- (vi) Laundry Charges for 2021/22 to be set at this meeting, as set out in this report, and in accordance with Appendix 7.
- (vii) Heating Charges for 2021/22 to be set in accordance with Appendix 8.
- (viii) Garages and Parking Site Rents for 2021/22, as shown in Appendix 9, be approved and authority to let garages at reduced rents where demand is low be delegated to the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources.
- (ix) The Revenue Budget for 2021/22, as set out in Appendix 3, be approved and authority given to the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources to amend the budgets to reflect the latest available information prior to finalising budgets for 2021/22.
- (x) The relevant Managers be authorised to incur expenditure in 2021/22.
- (xi) The Forecast Revenue Budgets for 2022/23 and 2023/24 arising from the proposals contained in this report, as set out in Appendix 3, be noted.

## **3. Housing Policy Changes 2021/22**





### **HRA Dwelling Rents**

- 3.1 From 2020/21 the decision to increase rents has now passed back to Local Authorities that operate a Housing Revenue Account. Through the rent standard the Council is given the option to increase rents by the increase in the Consumer Price Index (CPI) plus 1%. The CPI figure used is published in September 2020. This option was recommended and approved for 2020/21 and the option remains available until the financial year 2025/26.

### **HRA Borrowing Cap**

- 3.2 In the 2018 Autumn Budget the Government announced that the limit of indebtedness would be lifted with immediate effect from all Local Authorities who operate a Housing Revenue Account. Previously the Council was limited on the amount of borrowing that it could incur in the Housing Revenue Account. This presented a problem for the Council as it was unable to invest in larger scale developments and instead had to rely on bidding for additional borrowing and/or grant funding.

- 3.3 Whilst the Council welcomed this additional flexibility, it has to ensure that any borrowing it undertakes is not taken at the detriment of the Housing Revenue Account. The Council will seek to identify developments where rental income can meet the cost of any additional borrowing and maintenance of the asset, acting prudently and ensuring the sustainability of the HRA over the medium to longer term.

- 3.4 Since the cap has been removed the Council has now committed to a programme of buying back Council Housing Stock previously purchased under right to buy and expanding acquisitions to all residential units. This programme is for £20m each and every year for 5 years and started in 2020/21.

## **4. Proposed Rents and Charges for 2021/22**

### **Dwelling Rents**

- 4.1 In accordance with the rent policy, it is proposed to increase Dwelling Rents from an average of £87.28 per week to £88.52 per week, as summarised in Appendix 4. This is in line with the maximum amount that the Council can increase rents which is CPI plus 1%. The September 2020 CPI was 0.5% and, therefore, it is proposed that average rents increase by 1.5% in 2021/22.

- 4.2 This 1.5% is less than was anticipated in the forecast budget and therefore has a detrimental effect on the business going forward.

### **General Service Charges**

- 4.3 General Service Charges are made to all tenants and relate to the provision of a number of different services, including the Estate Services Officers, Anti-Social Behaviour Team, the Green and Clean Service and Residents Development



Team. In general, a lower rate is charged to tenants living in houses and bungalows and a higher rate to those who receive additional services in flats and maisonettes.

4.4 The charges made to tenants for these services cannot exceed the cost of providing them and, as a result, it is proposed to continue to set charges that meet the full cost of the services in 2021/22.

4.5 The proposed charges for 2021/22 are shown in Appendix 5 and summarised as follows:

<b>Category</b>	<b>2020/21 General Service Charge (per week)</b>	<b>2021/22 General Service Charge (per week)</b>
Low Rate	£6.30	£6.58
High Rate	£15.26	£16.10

### **Sheltered Housing Charges**

4.6 Sheltered Housing is intended to meet the needs of residents who require support to live independently. There are three levels of service, each with increasing levels of need and support: Category 1, Category 2 and Category 2.5. Sheltered Housing was set up originally on the basis that the extra costs of providing the service, over and above those arising from normal Council Housing provision, would be recovered from the tenants in Sheltered Housing via a “Combined Sheltered Housing Service Charge”. The Combined Sheltered Housing Service Charge is made up of a landlord related charge, which is eligible for Housing Benefits, and a care related charge, which is not eligible for Housing Benefits but is part funded through Supporting People Grant.

4.7 The proposals for 2021/22 are shown below, with a more detailed breakdown of these charges in Appendix 6.

<b>Category</b>	<b>2020/21 Combined Sheltered Housing Charges (per week)</b>	<b>2021/2022 Combined Sheltered Housing Charges (per week)</b>
Cat 1	£16.10	£16.52
Cat 2	£51.10	£53.06



Cat 2.5	£89.60	£93.10
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**Laundry Charges**

- 4.8 The Council provides a number of laundry facilities that operate from within blocks and sheltered housing schemes. Although the charges for both washing and drying facilities are reviewed each year, they remain much lower than the commercial market price. However, following a review of the cost of running the service, the Council are content that the current charges are sufficient to recover the cost of running the service and no cross subsidy exists.
- 4.9 Therefore, the Council are recommending that these charges do not increase in 2021/22. The proposed charges will remain as follows:

<b>Token Type</b>	<b>2020/21 Laundry Token Charge</b>	<b>2021/22 Laundry Token Charge</b>
Wash	£2.00	£2.00
Dry	£1.50	£1.50

**Heating Charges**

- 4.10 Heating charge calculations are based on the usage data from previous years. This data is used to calculate the estimated cost of heating the relevant dwellings.
- 4.11 The Building Services team continue to undertake work to both reduce energy consumption and negotiate better tariffs with our energy providers. This proactive approach has resulted in the heating charge remaining static in recent years. The Council needs to ensure that it fully recovers the cost of heating on a full cost basis. However, the Council's Building Service team has been able to negotiate a fixed price, which means that the Council can freeze all these charges in 2021/22 for the second year.
- 4.12 Appendix 8 breaks down the proposed charges for 2021/22.

**Garages and Parking Sites**

- 4.13 The way that the HRA garages and parking sites are marketed and managed continues to evolve in response to changes in demand whilst maintaining the underlying Budget Principle to “get the best return possible from non-core activities”. Income is still rising steadily, although charges remain very competitive when compared to other parking providers in the City and Leigh Park.



- 4.14 It is proposed that the 2021/22 budget continues to assist the marketing of the park and ride scheme, by offering 'local/non-local' parking rates. Whilst maintaining the ethos of charging more for high-demand areas, all parking spaces irrespective of location will be charged at two rates, a lower rate for those people who live near to where they park and a higher rate for those who do not. This aims to encourage those who drive into the city to consider using the Council's park and ride facility when it is available.
- 4.15 The proposal is to increase the cost of all parking and garage permits by 1.5% in 2021/22.
- 4.16 A summary of the proposed charges for next year can be found in Appendix 9. It is recommended that authority to let garages at reduced rents where demand is low be delegated to the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources.

## **5 Budget for next year 2021/22**

- 5.1 The budget details attached at Appendix 3 show the forecast outturn position for 2020/21, which takes account of the impact of Covid-19, as well as the proposed budget for 2021/22. Also shown are the forecast budgets through to 2023/24.
- 5.2 The 2021/22 Housing Revenue Account budget assumes an in-year deficit of £1.2m. This is partly due to the proposed rent increase of 1.5% being lower than the original forecast of 3%. There was also a higher than anticipated pay increase of 2.75% in 2020/21, which impacts the staffing budget of approximately £25m which represents 30% of all costs. The budget includes funding for the Chancellor's proposed £250 pay rise in 2021/22 for all local government staff earning less than the median wage of £24,000 per annum but with a freeze for those earning above that level.
- 5.3 In addition, the ageing stock profile means that an increasingly significant depreciation charge provision needs to be made each year. However this charge is remitted to a specific ring fenced reserve that is reinvested in to capital works to Council Housing.
- 5.4 The budget deficit is proposed to be met from the specific Housing Revenue Account Ring Fenced reserve.

## **6 Future years budgets and the level of balances**

- 6.1 The law requires that a budget be set to avoid a deficit on the council housing account (Housing Revenue Account). It is forecast that the level of balances will be approximately £18.6 million at 31st March 2022, excluding earmarked capital reserves. The forecast level of balances in subsequent years is shown in the following table:



	<b>2020/21 Forecast outturn</b>	<b>2021/22 Proposed Budget</b>	<b>2022/23 Forecast Budget</b>	<b>2023/24 Forecast Budget</b>
	£000	£000	£000	£000
Reserve brought forward	20,093	19,858	18,644	17,280
In year deficit	(235)	(1,214)	(1,364)	(1,309)
Reserve carried forward	19,858	18,644	17,280	15,971

- 6.2 When setting a new budget the Council must consider the effect on the Housing Revenue Account's 30-year business plan. The current reserve is sufficient to meet the ongoing commitments in the short to medium term, however the Director of Housing, Neighbourhood and Building Services is working through ways in which to reduce the budgeted deficit in 2021/22. This will need to include actions to offset any ongoing impacts of Covid-19 and Brexit. Remedial measures, with a recurring value of approximately £1.3m are currently required to eradicate the deficit in subsequent years.

## **7 Authority to incur revenue expenditure**

- 7.1 It is recommended that Directors and their service managers be authorised to incur expenditure in accordance with the City Council Constitution. The only exceptions would be those items Members consider should be the subject of a separate report before expenditure is incurred.

## **8 Duty to involve - Resident involvement in the budget process**

- 8.1 A consultation meeting has been held with residents in the City, where the proposals set out in this report were discussed, including the proposals for rents, service charges and other proposed charges as shown on attached Appendices 4 to 9.
- 8.2 In addition, an article was published in a recent edition of Housetalk magazine, which aimed to inform all residents and leaseholders of the issues and encouraged them to respond with their views on the matters raised.
- 8.3 The Council's Finance Team attended the Residents Consortium meeting in December 2020 to set out the proposals and to ask for feedback from residents around the proposed new charges. The Cabinet Member reviewed the residents' responses, along with the feedback from the Housetalk article, in time to take them into account when proposing the recommendations at this meeting.



8.4 Both the Director of Housing, Neighbourhood and Building Services and the Director of Finance and Resources would like to place on record their thanks for the continued support and contribution given by our resident representatives, tenants and leaseholders.

**9. Reasons for recommendations**

9.1 To set budgets, rents and charges for council housing for 2021/22 at levels that are sufficient to provide decent accommodation and good quality services whilst maintaining financial sustainability and resilience.

**10. Integrated impact assessment (IIA)**

10.1 An integrated impact assessment has been completed and is attached at Appendix 10.

10.2 The assessment identifies no negative impacts associated with any of the options outlined.

**11. Legal Implications**

11.1 The body of the report contains a discussion of the key legal issues, and the Council is empowered to approve the recommendations.

**12. Director of Finance comments**

12.1 The Director of Finance and Resources has been consulted and is in agreement with the recommendations to this report.

Signed by:

.....  
**James Hill – Director of Housing, Neighbourhood and Building Services**

.....  
**Chris Ward – Director of Finance and Resources**

**Appendices:**

- 1 Council Housing Accounts – The Law
- 2 Budget Principles 2020/21 to 2023/24
- 3 Revenue Budgets 2020/21 to 2023/24



- 4 Average Rents 2021/22
- 5 General Service Charges 2021/22
- 6 Sheltered Housing Charges 2021/22
- 7 Laundry Charges 2021/22
- 8 Heating Charges 2021/22
- 9 Garages and Parking Sites Rents 2021/22
- 10 Integrated Impact Assessment (IIA)

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
1 Budget files	Property, Housing and Regeneration Finance

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by:

## **COUNCIL HOUSING ACCOUNTS - THE LAW**

The Council Housing accounts are termed the "Housing Revenue Account" in the following notes. The rest of the City Council's accounts are termed the "General Fund".

### **LOCAL GOVERNMENT AND HOUSING ACT 1989**

This Act has provided the main framework for Housing Finance since 1 April 1990. In summary the Housing Revenue Account provisions are as follows:

- 1 Local Housing Authorities must keep a separate Housing Revenue Account (HRA).
- 2 Amounts to be credited or debited to the Housing Revenue Account can only be in respect of items detailed in the Act or covered by regulations issued by the Secretary of State.
- 3 Budgets must be prepared each year for the Housing Revenue Account which will avoid a debit balance on the account. Action must be taken if in any year it appears a debit balance may arise.
- 4 An authority should maintain a separate Housing Repairs Account.
- 5 A transfer must be made between the General Fund and the Housing Revenue Account in respect of amenities provided by the Housing Revenue Account but shared by the whole community.
- 6 With the exception of 5 above no contribution can be made by the General Fund to the Housing Revenue Account except for certain items detailed in regulations issued by the Secretary of State.

In addition, the Act provides the main framework for the Capital Finance of Local Authorities

### **LEASEHOLD REFORM, HOUSING & URBAN DEVELOPMENT ACT 1993**

The above Act came into force in 1993 and gave Housing Authorities the power to provide Welfare Services and to account for them within either the Housing Revenue Account or the General Fund at the Authorities discretion.

The Act also gave the Secretary of State wide powers to amend this provision and regulations have been made which prevent "personal services" such as regular feeding or bathing or cooking of meals from being accounted for within the Housing Revenue Account. Accordingly the net costs relating to the element of personal services provided by staff in sheltered accommodation are funded by the General Fund.



## **BUDGET PRINCIPLES 2020/21 to 2023/24**

Budgets to be driven by PCC Strategies to meet Corporate Priorities with particular emphasis on all forms of regeneration & creation of sustainable communities to achieve safe, secure, independent & healthy living for our residents, tenants & leaseholders with increased economic well-being, including the following:

- Offering access to respite care and other support for carers and service users
- Assessing individuals needs and developing care/support to those needs
- Contributing to effective rehabilitation for people leaving hospital
- Enabling and contributing to the provision of good quality low cost homes with well-planned infrastructure
- Delivering and promoting high quality house design combined with exceptional environmental performance.
- Tackling fuel poverty
- Working to reduce carbon emissions and to eliminate negative environmental impacts from all areas of work.

Budgets to be prepared in consultation with residents, tenants & leaseholders & reflect their views

Balanced budgets to be prepared for a minimum 3 years for revenue budgets & 5 years for capital budgets

Work with suppliers & partners, particularly the Health Service, to try & co-ordinate services in the best interests of residents, tenants & leaseholders.

Support effective preventive measures wherever possible.

Maintain & improve homes by:

- Tackling disrepair in private housing to ensure vulnerable people are housed in decent homes.
- Reducing the number of unfit and inaccessible private sector homes
- Maintaining the cycle of planned external inspection & repair of council dwellings.
- Improving the quality of council dwellings and maintaining decent homes.
- Working towards a “Decent Environment” for all council dwellings.
- Improving energy efficiency and opportunities for microgeneration.

- Encouraging the reduction, reuse and recycling of materials.

Maintain high management standards for council dwellings

To set rents, charges and Council Tax charges that avoid any unreasonable burden, and remain in accordance with Government Policy.

Get the best return possible from non-core activities i.e. provision of garages and parking

Achieve continuous improvement through systems thinking methods, designing services against customer demand

Comply with the law

**Housing Revenue Account Budget 2019/20 to 2023/24**

Based on 1.5% rent increase. Figures rounded to nearest £'000 (- equals income)

Appendix 3

Description	2019/20	2020/21	2021/22	2022/23	2023/24
	Outturn	Forecast Outturn	Proposed Budget	Forecast Budget	Forecast Budget
	£,000	£,000	£,000	£,000	£,000
<b>EXPENDITURE</b>					
<b>GENERAL MANAGEMENT</b>					
Housing Management	11,449	12,842	11,770	12,007	12,242
Admin. Buildings/Support Service Charges	3,801	3,663	3,792	3,892	3,984
Front Line Services	66	70	70	72	74
Legal Expenses	52	67	67	69	70
Insurances	234	300	300	308	315
Home Loss and Disturbance	3	45	45	46	47
Other General Expenses	134	250	230	234	242
<b>Total General Management</b>	<b>15,739</b>	<b>17,237</b>	<b>16,274</b>	<b>16,628</b>	<b>16,974</b>
<b>SPECIAL MANAGEMENT</b>					
Communal Heating	1,061	900	900	927	955
Communal Lighting	117	132	133	137	141
Estate Service Officers	998	973	1,018	1,039	1,060
Sheltered housing	2,801	2,894	2,939	3,013	3,088
Community Warden	693	692	718	736	755
Hub Café	86	101	63	65	66
Out of Hours	432	469	455	467	478
New Tenancy	282	61	0	0	0
Anti Social Behaviour	342	372	379	388	398
Resident Participation	433	379	442	453	465
Play Services	1,064	942	1,049	1,076	1,102
Youth Clubs	555	551	600	615	630
Community centres	276	237	143	147	151
Cleaning	4,694	4,772	5,255	5,386	5,521
Pest Eradication	99	68	90	92	95
Grounds Maintenance & Open Spaces	1,431	1,334	1,332	1,365	1,399
TV Relay	4	7	6	6	6
Insurance of Flats	2	100	100	103	105
Centralised Communication	52	64	72	74	76
Landport Community Garden (HRA)	35	35	46	47	48
<b>Total Special Management</b>	<b>15,458</b>	<b>15,083</b>	<b>15,740</b>	<b>16,136</b>	<b>16,539</b>
<b>OTHER EXPENDITURE</b>					
Repairs & maintenance	24,823	22,905	24,500	24,500	24,500
Rent, Rates, Taxes and Other Charges	1,011	655	529	542	556
Rent Rebates Limitation	0	0	0	0	0
Bad Debt provisions	617	1,000	900	900	900
Supporting People Benefit	421	428	477	489	501
Healthcare Properties	-2	0	0	0	0
Supported living properties	164	153	134	138	141
Non-HRA Dwelling Expenditure	159	79	68	71	72
Debt Management Costs	71	70	72	74	75
Depreciation	22,195	23,257	23,821	25,921	26,834
Savings	0	0	0	0	0
RCCO Capital spending HRA Dwellings	358	0	0	0	0
Contingency Provision	20	0	100	100	100
City Government	184	200	200	205	210
Interest Payable	5,784	6,064	6,661	6,077	6,445
Premium on Loans	0	207	205	203	203
Repayment of debt	0	0	0	0	0
Year end pension adjustment	-2,046	-1,996	-1,234	-1,250	-1,259
<b>Total Other Expenditure</b>	<b>53,765</b>	<b>59,023</b>	<b>56,432</b>	<b>57,970</b>	<b>59,278</b>

Description	2019/20 Outturn	2020/21 Forecast Outturn	2021/22 Proposed Budget	2022/23 Forecast Budget	2023/24 Forecast Budget
<b>SUMMARY OF EXPENDITURE</b>					
General Management	15,739	17,237	16,274	16,628	16,974
Special Management	15,458	15,083	15,740	16,136	16,539
Other Expenditure	53,761	53,023	56,432	57,970	59,278
<b>TOTAL EXPENDITURE</b>	<b>84,957</b>	<b>85,343</b>	<b>88,446</b>	<b>90,734</b>	<b>92,791</b>

Description	2019/20 Outturn	2020/21 Forecast Outturn	2021/22 Proposed Budget	2022/23 Forecast Budget	2023/24 Forecast Budget
<b>INCOME</b>					
<b>Government Grants</b>					
Supporting People Sheltered Housing Grant	-250	-250	-250	-250	-250
<b>Rents</b>					
Dwellings - Rent less void	-63,572	-65,081	-66,330	-67,989	-69,687
Garages, Parking sites	-1,932	-1,953	-1,985	-2,035	-2,085
Shops	-1,096	-1,068	-1,128	-1,162	-1,197
Land Rents	-102	-111	-111	-114	-118
<b>Fees and Charges</b>					
General Charge	-8,976	-9,075	-9,568	-9,807	-10,052
Heating Charges	-536	-560	-560	-577	-594
Sheltered Housing Service Charge	-2,084	-2,124	-2,287	-2,344	-2,402
Supporting People Service Charge	-542	-555	-615	-630	-646
Collection of Council Tax Income	-89	-79	-94	-99	-104
Sale of Electricity	-167	-190	-185	-190	-194
Other Commercial Property income	-19	-22	-27	-28	-28
L/H Charges for Services & Facilities	-1,984	-1,931	-1,990	-2,010	-2,030
Other Charges for Services & Facilities	-567	-365	-396	-406	-416
Supported Living (PO Box) income	-124	-124	-127	-130	-133
Supported living properties income	-624	-656	-636	-651	-671
Ebay sales of unclaimed items from tenants	0	0	0	0	0
<b>Recharges to other services</b>					
SS Wardens Welfare & Sheltered Costs	-162	-162	-163	-167	-171
Contribution fr HGF - Shared Amenities	-379	-374	-410	-420	-430
Interest	-267	-428	-370	-361	-274
<b>TOTAL INCOME</b>	<b>-83,470</b>	<b>-85,108</b>	<b>-87,232</b>	<b>-89,370</b>	<b>-91,482</b>
<b>SUMMARY OF HRA</b>					
Total Expenditure	84,957	85,343	88,446	90,734	92,791
Total Income	-83,470	-85,108	-87,232	-89,370	-91,482
<b>Deficit (Surplus) for the year</b>	<b>1,487</b>	<b>235</b>	<b>1,214</b>	<b>1,364</b>	<b>1,309</b>
<b>BALANCE OF HRA</b>					
<b>General Balance</b>					
Balance at 1st April	-21,580	-20,093	-19,858	-18,644	-17,280
Less Deficit or Add (Surplus)	1,487	235	1,214	1,364	1,309
<b>Balance at 31st March - General</b>	<b>-20,093</b>	<b>-19,858</b>	<b>-18,644</b>	<b>-17,280</b>	<b>-15,971</b>

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Existing HRA dwelling stock									
Property type	Number of bedrooms								
	0	1	2	3	4	5	6	7	Total
Bedsit / Studio	390	4							394
Bungalow	1	188	13	14					216
Flat		3,994	3,338	571	22	2			7,927
House		1	1,188	2,540	326	30	2	1	4,088
Maisonette		7	544	1,326	25	4			1,906
Supported Living	47	51							98
<b>Grand Total</b>	<b>438</b>	<b>4,245</b>	<b>5,083</b>	<b>4,451</b>	<b>373</b>	<b>36</b>	<b>2</b>	<b>1</b>	<b>14,629</b>

Average rents (£) in 2021/22 when increased by 1.5%									
Property type	Number of bedrooms								
	0	1	2	3	4	5	6	7	Overall Average
Bedsit / Studio	68.72	71.47							68.74
Bungalow	77.14	84.36	95.89	103.31					86.25
Flat		77.48	86.32	96.28	104.54	102.69			82.63
House		84.42	92.63	101.70	113.11	121.93	182.49	176.68	100.18
Maisonette		104.42	85.86	93.69	113.95	105.88			91.79
Supported living	95.58	101.15							98.48
<b>Average</b>	<b>71.62</b>	<b>78.11</b>	<b>87.77</b>	<b>98.63</b>	<b>112.67</b>	<b>119.08</b>	<b>182.49</b>	<b>176.68</b>	<b>88.52</b>

Rent increases (£) in 2021/22 when increased by 1.5%									
Property type	Number of bedrooms								
	0	1	2	3	4	5	6	7	Overall Average
Bedsit / Studio	0.96	0.98							0.96
Bungalow	1.12	1.17	1.38	1.43					1.20
Flat		1.08	1.20	1.36	1.48	1.47			1.15
House		1.12	1.28	1.43	1.60	1.74	2.66	2.52	1.40
Maisonette		1.50	1.19	1.30	1.60	1.54			1.27
Supported living	1.31	1.45							1.38
<b>Average</b>	<b>1.00</b>	<b>1.09</b>	<b>1.22</b>	<b>1.38</b>	<b>1.59</b>	<b>1.70</b>	<b>2.66</b>	<b>2.52</b>	<b>1.24</b>

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## General Service Charges 2021/22

General Service Charges				
Charge description	20/21 weekly charge £	21/22 weekly charge £	Change £	Change %
Lower Service Charge :	6.30	6.58	0.28	4.4%
Higher Service Charge :	15.26	16.10	0.84	5.5%

### NOTES

**General Service charges cover the following costs :**

**Lower Service Charge (mainly houses) :**

- Anti-social Behaviour Team
- Resident Participation Service
- Money Advice Service
- Estate Services Officers
- Out of Hours Service
- Youth and Play Services

**Higher Service Charge (most flats) :**

- Anti-social Behaviour Team
- Resident Participation Service
- Money Advice Service
- Estate Services Officers
- Out of Hours Service
- Youth and Play Services
- Electricity for Communal Areas
- Cleaning and Bulk Refuse
- Grounds Maintenance

(Leaseholder contributions are taken into account when calculating resident General Service Charges)

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## Sheltered Housing Charges 2021/22

Weekly Sheltered Housing Service Charge	2021/22 Charges					2020/21 Charges		Increase year on year	
	Sheltered Housing Service Charge £ p	Supporting People Charges £ p	Sheltered Housing Discount £ p	Total protected charges (see note 1) £ p	Total unprotected charges £ p	Protected £ p	Not Protected £ p	Protected £ p	Not Protected £ p

<b>Proposed Charges for 2021/22</b>									
Category 1	12.32	4.20	(7.14)	9.38	16.52	9.33	16.10	0.05	0.42
Category 2	39.62	13.44	(4.02)	49.04	53.06	48.80	51.10	0.24	1.96
Category 2.5	76.02	17.08	(26.11)	66.99	93.10	66.66	89.60	0.33	3.50

### NOTES

- 1 Tenants who don't qualify for Housing Benefit but were in their tenancy at 1st March 2003 should pay no more in total for both the Supporting People & Sheltered Housing Service Charge than the amount they pay now plus an allowance for inflation. They will therefore have a credit posted to their accounts that reduces the full SP charge down to the protected level.

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**Laundry Charges 2021/22**

**Current laundry charges**

<i>Year</i>	<b>Charge for wash</b>	<b>Charge for dry</b>
2020/21	£2.00	£1.50

**Proposed Laundry Charges for Full Cost Recovery**

<i>Year</i>	<b>Charge for wash</b>	<b>Charge for dry</b>	<b>£ Increase Wash</b>	<b>£ Increase dry</b>
2021/22	£2.00	£1.50	£0.00	£0.00

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**Heating Charges 2021/22**  
**WEEKLY HEATING CHARGES**

**Electric Heating**

EDGBASTON HOUSE  
TIPTON HOUSE

**1 BED DWELLINGS**

Current weekly charge 2020/21 £	Proposed weekly charge 2021/22 £	Increase / Decrease £	%
9.55	9.55	0.00	0.0%
9.55	9.55	0.00	0.0%

**2 BED DWELLINGS**

Current weekly charge 2020/21 £	Proposed weekly charge 2021/22 £	Increase / Decrease £	%
13.24	13.24	0.00	0.0%
13.24	13.24	0.00	0.0%

**Gas Heating**

Sheltered Housing

ARTHUR DANN COURT  
HALE COURT\*  
IAN GIBSON COURT  
JOHN MARSHALL COURT  
NICHOLSON GARDENS

**BEDSITS**

Current weekly charge 2020/21 £	Proposed weekly charge 2021/22 £	Increase / Decrease £	%
6.62	6.62	0.00	0.0%
6.01	6.01	0.00	0.0%

**1 BED DWELLINGS**

Current weekly charge 2020/21 £	Proposed weekly charge 2021/22 £	Increase / Decrease £	%
9.09	9.09	0.00	0.0%
8.16	8.16	0.00	0.0%
8.16	8.16	0.00	0.0%
6.93	6.93	0.00	0.0%
9.39	9.39	0.00	0.0%

**2 BED DWELLINGS**

Current weekly charge 2020/21 £	Proposed weekly charge 2021/22 £	Increase / Decrease £	%
10.47	10.47	0.00	0.0%
10.32	10.32	0.00	0.0%
9.09	9.09	0.00	0.0%
9.86	9.86	0.00	0.0%
18.33	18.33	0.00	0.0%

**3 BED DWELLINGS**

Current weekly charge 2020/21 £	Proposed weekly charge 2021/22 £	Increase / Decrease £	%
15.55	15.55	0.00	0.0%
10.32	10.32	0.00	0.0%

\*This property will be receiving individual meters.

**Combined Heat & Power**

PICKWICK/COPPERFIELD  
WELLER & CHEERYBLE  
BLACKWOOD/BRISBANE  
NICKLEBY/BARKIS HSE

**BEDSITS**

Current weekly charge 2020/21 £	Proposed weekly charge 2021/22 £	Increase / Decrease £	%
7.55	7.55	0.00	0.0%

**1 BED DWELLINGS**

Current weekly charge 2020/21 £	Proposed weekly charge 2021/22 £	Increase / Decrease £	%
8.32	8.32	0.00	0.0%
8.32	8.32	0.00	0.0%
8.32	8.32	0.00	0.0%

**2 BED DWELLINGS**

Current weekly charge 2020/21 £	Proposed weekly charge 2021/22 £	Increase / Decrease £	%
10.78	10.78	0.00	0.0%
10.78	10.78	0.00	0.0%
10.78	10.78	0.00	0.0%
10.78	10.78	0.00	0.0%

**3 BED DWELLINGS**

Current weekly charge 2020/21 £	Proposed weekly charge 2021/22 £	Increase / Decrease £	%
12.63	12.63	0.00	0.0%
12.63	12.63	0.00	0.0%

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Proposed weekly rents for garages and parking sites	2020/21 weekly rent	2021/22 weekly rent	£ Change	% Change
<b>Proposed weekly garage rents</b>	<b>£ p</b>	<b>£ p</b>	<b>£ p</b>	<b>%</b>
<b>Buckland</b>				
Local Tenant / Leaseholder	14.69	14.91	0.22	1.5%
Other Locals (including VAT)	17.62	17.89	0.27	1.5%
Non-Local Tenant / Leaseholder (including VAT)	21.97	22.30	0.33	1.5%
Other Non-Locals (including VAT)	21.97	22.30	0.33	1.5%
<b>Landport</b>				
Local Tenant / Leaseholder	14.94	15.16	0.22	1.5%
Other Locals (including VAT)	17.93	18.20	0.27	1.5%
Non-Local Tenant / Leaseholder (including VAT)	23.90	24.26	0.36	1.5%
Other Non-Locals (including VAT)	23.90	24.26	0.36	1.5%
<b>Leigh Park</b>				
Local Tenant / Leaseholder	11.49	11.66	0.17	1.5%
Other Locals (including VAT)	13.79	13.99	0.20	1.5%
Non-Local Tenant / Leaseholder (including VAT)	13.79	13.99	0.20	1.5%
Other Non-Locals (including VAT)	13.79	13.99	0.20	1.5%
<b>Paulsgrove</b>				
Local Tenant / Leaseholder	11.49	11.66	0.17	1.5%
Other Locals (including VAT)	13.79	13.99	0.20	1.5%
Non-Local Tenant / Leaseholder (including VAT)	15.73	15.97	0.24	1.5%
Other Non-Locals (including VAT)	15.73	15.97	0.24	1.5%
<b>City South</b>				
Local Tenant / Leaseholder	15.46	15.69	0.23	1.5%
Other Locals (including VAT)	18.55	18.83	0.28	1.5%
Non-Local Tenant / Leaseholder	25.16	25.54	0.38	1.5%
Other Non-Locals (including VAT)	25.16	25.54	0.38	1.5%
<b>Portsea</b>				
Local Tenant / Leaseholder	15.98	16.22	0.24	1.5%
Other Locals (including VAT)	19.17	19.45	0.28	1.5%
Non-Local Tenant / Leaseholder (including VAT)	28.49	28.92	0.43	1.5%
Other Non-Locals (including VAT)	28.49	28.92	0.43	1.5%
<b>Leasehold &amp; Commercial</b>				
Local Tenant / Leaseholder	15.46	15.69	0.23	1.5%
Other Locals (including VAT)	18.55	18.83	0.28	1.5%
Non-Local Tenant / Leaseholder (including VAT)	22.99	23.34	0.35	1.5%
Other Non-Locals (including VAT)	22.99	23.34	0.35	1.5%

Proposed weekly rents for garages and parking sites	2020/21 weekly rent	2021/22 weekly rent	£ Change	% Change
<b><u>Proposed weekly parking site rents</u></b>				
<b><u>Buckland</u></b>				
Underground for local tenants / leaseholders	5.24	5.32	0.08	1.5%
Underground for other locals (including VAT)	6.29	6.38	0.09	1.5%
Underground for non-local tenants / leaseholders (including VAT)	17.69	17.96	0.27	1.5%
Underground for other non-locals (including VAT)	17.69	17.96	0.27	1.5%
Above ground for local tenants / leaseholders	3.96	4.02	0.06	1.5%
Above ground for other locals (including VAT)	4.75	4.82	0.07	1.5%
Above ground for non-local tenants / leaseholders (including VAT)	12.02	12.20	0.18	1.5%
Above ground for other non-locals (including VAT)	12.02	12.20	0.18	1.5%
<b><u>City South</u></b>				
Underground for local tenants / leaseholders	5.58	5.66	0.08	1.5%
Underground for other locals (including VAT)	6.70	6.80	0.10	1.5%
Underground for non-local tenants / leaseholders (including VAT)	18.00	18.27	0.27	1.5%
Underground for other non-locals (including VAT)	18.00	18.27	0.27	1.5%
Open air spaces for local tenants / leaseholders	4.02	4.08	0.06	1.5%
Open air spaces other locals (including VAT)	4.82	4.90	0.08	1.5%
Open air spaces for non-local tenants / leaseholders (including VAT)	12.23	12.41	0.18	1.5%
Open air spaces other non-locals (including VAT)	12.23	12.41	0.18	1.5%
<b><u>Landport</u></b>				
Above ground for local tenants / leaseholders	4.02	4.08	0.06	1.5%
Above ground for other locals (including VAT)	4.82	4.90	0.08	1.5%
Above ground for non-local tenants / leaseholders (including VAT)	13.09	13.29	0.20	1.5%
Above ground for other non-locals (including VAT)	13.09	13.29	0.20	1.5%
<b><u>Leigh Park</u></b>				
Above ground for local tenants / leaseholders	2.11	2.14	0.03	1.5%
Above ground for other locals (including VAT)	2.53	2.57	0.04	1.5%
Above ground for non-local tenants / leaseholders (including VAT)	5.00	5.08	0.08	1.5%
Above ground for other non-locals (including VAT)	5.00	5.08	0.08	1.5%
<b><u>Paulsgrove</u></b>				
Above ground for local tenants / leaseholders	2.11	2.14	0.03	1.5%
Above ground for other locals (including VAT)	2.53	2.57	0.04	1.5%
Above ground for non-local tenants / leaseholders (including VAT)	5.45	5.53	0.08	1.5%
Above ground for other non-locals (including VAT)	5.45	5.53	0.08	1.5%
<b><u>Portsea</u></b>				
Underground for local tenants / leaseholders	5.90	5.99	0.09	1.5%
Underground for other locals (including VAT)	7.08	7.19	0.11	1.5%
Underground for non-local tenants / leaseholders (including VAT)	19.27	19.56	0.29	1.5%
Underground for other non-locals (including VAT)	19.27	19.56	0.29	1.5%
Above ground for local tenants / leaseholders	4.28	4.34	0.06	1.5%
Above ground for other locals (including VAT)	5.14	5.22	0.08	1.5%
Above ground for non-local tenants / leaseholders (including VAT)	13.09	13.29	0.20	1.5%
Above ground for other non-locals (including VAT)	13.09	13.29	0.20	1.5%

# Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
  - Communities and safety
  - Regeneration and culture
  - Environment and public space
  - Equality & - Diversity This can be found in Section A5

**Directorate:**

Housing, Neighbourhoods and Building Services

**Service, function:**

Housing

**Title of policy, service, function, project or strategy (new or old) :**

COUNCIL HOUSING BUDGET 2021/22

**Type of policy, service, function, project or strategy:**

- Existing
- New / proposed
- Changed

**What is the aim of your policy, service, function, project or strategy?**

To set the new Housing Revenue Account Budget for 2021/22 to 2024/25, and to agree changes to rents and other charges from 1st April 2021.

Has any consultation been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

Yes, consultation has been carried out through residents meetings, direct correspondence and via Housetalk with our residents. The feedback was minimal but it did inform the proposal.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A1-Crime** - Will it make our city safer?

In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact [Lisa.Wills@portsmouthcc.gov.uk](mailto:Lisa.Wills@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How will you measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A2-Housing** - Will it provide good quality homes?

In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The appropriate setting of rents ensures that the Council can continue to provide social housing that is well managed and well maintained.

How are you going to measure/check the impact of your proposal?

By ensuring the ongoing financial stewardship of the Housing Revenue Account.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A3-Health** - Will this help promote healthy, safe and independent living?

In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact [Dominique.Letouze@portsmouthcc.gov.uk](mailto:Dominique.Letouze@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cons-114.86-health-and-wellbeing-strategy-proof-2.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A4-Income deprivation and poverty**-Will it consider income deprivation and reduce poverty?

In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact [Mark.Sage@portsmouthcc.gov.uk](mailto:Mark.Sage@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>  
<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Rents are set at a level that is affordable to those who have the most financial hardship. 97% of all properties are rented using Social Rents and we check that if someone is in receipt of full Housing benefit that their housing costs levied by the Council can be met.

How are you going to measure/check the impact of your proposal?  
We do this by comparing average rents against the current Local Housing Allowance.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A5-Equality & diversity** - Will it have any positive/negative impacts on the protected characteristics?



In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership,socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact [gina.perryman@portsmouthcc.gov.uk](mailto:gina.perryman@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B1-Carbon emissions** - Will it reduce carbon emissions?

In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B2-Energy use** - Will it reduce energy use?

In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact [Triston.thorn@portsmouthcc.gov.uk](mailto:Triston.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>  
<https://democracy.portsmouth.gov.uk/documents/s24685/Home%20Energy%20Appendix%201%20-%20Energy%20and%20water%20at%20home%20-%20Strategy%202019-25.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B3 - Climate change mitigation and flooding**-Will it proactively mitigate against a changing climate and flooding?

In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B4-Natural environment**-Will it ensure public spaces are greener, more sustainable and well-maintained?

In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?



**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B5-Air quality** - Will it improve air quality?

In thinking about this question:

- How will it reduce motor vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact [Hayley.Trower@portsmouthcc.gov.uk](mailto:Hayley.Trower@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B6-Transport** - Will it improve road safety and transport for the whole community?

In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it allocate street space to ensure children and older people can walk and cycle safely in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact [Pam.Turton@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

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Is your policy/proposal relevant to the following questions?

**B7-Waste management** - Will it increase recycling and reduce the production of waste?

In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact [Steven.Russell@portsmouthcc.gov.uk](mailto:Steven.Russell@portsmouthcc.gov.uk) or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**C - Regeneration of our city**

Yes

No

Is your policy/proposal relevant to the following questions?

**C1-Culture and heritage** - Will it promote, protect and enhance our culture and heritage?

In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact [Claire.Looney@portsmouthcc.gov.uk](mailto:Claire.Looney@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**C - Regeneration of our city**

Yes

No

Is your policy/proposal relevant to the following questions?

**C2-Employment and opportunities** - Will it promote the development of a skilled workforce?

In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

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Is your policy/proposal relevant to the following questions?

**C3 - Economy** - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?

In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth in the city?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**Q8 - Who was involved in the Integrated impact assessment?**

**This IIA has been approved by:**

**Contact number:**

**Date:**

# Agenda Item 4



Portsmouth  
CITY COUNCIL

<b>Title of meeting:</b>	Cabinet Member for Housing & Preventing Homelessness
<b>Date of meeting:</b>	25 <sup>th</sup> January 2021
<b>Subject:</b>	Cabbagefield Row, Havant - Council Housing Development
<b>Report by:</b>	James Hill - Director of Housing, Neighbourhood and Building Services
<b>Report Authors</b>	Jo Bennett - Head of Business Relationships, Growth & Support Alison Smart - Housing Business Partner
<b>Wards affected:</b>	N/A Housing Revenue Account (HRA) land held in Havant
<b>Key decision:</b>	Yes
<b>Full Council decision:</b>	No

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## 1. Purpose of report

- 1.1 To ask that the Cabinet Member for Housing and Preventing Homelessness notes that the Cabbagefield Row development scheme is now ready to proceed to outline planning consent.
- 1.2 That the Cabinet Member for Housing and Preventing Homelessness notes that the planned development is for circa 150 council housing dwellings to be held within the Housing Revenue Account on the land known as Cabbagefield Row, Havant.
- 1.3 To seek approval of a capital spend of £260,000 to deliver outline planning consent for a development of circa 150 council housing dwellings on the land known as Cabbagefield Row, Havant.

## 2. Recommendations

- 2.1 That the Cabinet Member for Housing approves Housing Revenue Account (HRA) Capital Expenditure of £260,000 to deliver outline planning consent for a development of circa 150 council housing dwellings on the land known as Cabbagefield Row, Havant.
- 2.2 That the Cabinet Member for Housing and Preventing Homelessness note that a further report will be brought once outline planning consent is achieved to detail the consent and to request permission for the build and future capital spend.



The build standard and make up of units will also be included in the future paper as they are not yet decided.

### **3. Background**

3.1 The 7.4 hectare piece of land sits to the north of the Warren, an area within Havant Borough Council (HBC) adjacent to Strouden Court, a large area of existing Portsmouth City Council (PCC) housing. The site also sits alongside the proposed new Portsmouth Water reservoir. See Appendix A for a map showing the land.

3.2 HBC local plan allocates Cabbagefield Row for a large residential development.

3.3 The site is unmaintained and there is substantial work to do in order to deliver a scheme on the site which meets not only the HBC Local Plan but also the ecology of the area.

3.4 The new scheme will sit alongside the proposed Strouden Court development and builds on the work to the giant footsteps area completed by PCC in 2014. The Strouden Court development will come to the Cabinet Member for Housing and Preventing Homelessness for decision later in the year.

3.5 Housing Needs, Advice and Support has a detailed understanding of the housing demand for this site and this information has been integral to the feasibility study. The delivery of these homes would meet the needs of those on PCC and HBC waiting lists. It would also generate movement within the general needs housing stock and ensure people are able to move to the homes they need.

3.6 We have a strong working relationship with HBC and the scheme can meet affordable housing needs for PCC and HBC simultaneously. Following a conversation with the Havant Borough Council (HBC) Housing Manager (Development) we agreed these homes could create housing solutions for both HBC and PCC residents. A condition of the planning permission is expected to be that HBC receives nomination rights to 30% of the development.

3.7 We will incorporate the nomination rights for the properties and the status of the dwellings as council homes in the outline planning consent.

3.8 The dwelling mix on this site, rent levels and build standard will all be brought to a future meeting as the design of the scheme is yet to be completed.

### **4. Reasons for recommendations**

4.1 The leading factor is a strong desire to deliver more homes to meet demand. Additionally the scheme will support Portsmouth City Council's corporate priority 1: "*Make Portsmouth a city that works together, enabling communities to thrive and people to live healthy, safe and independent lives*". Although the homes are

within the borough of Havant, the tenants will be under PCC's jurisdiction, therefore the priority is valid.

4.2 The scheme will increase the overall number of homes in the HRA and will improve its viability to allow for continued maintenance and tenant services to residents.

**5. Integrated impact assessment**

5.1 An IIA is not required at this moment. Should the scheme be taken forward an IIA will accompany a delivery report.

**6. Legal implications**

6.1 The recommendations are within the power of the Cabinet Member for Housing & Preventing Homelessness to adopt, and for the City Council to approve, and raise no immediate notable legal implications. The delegations recommended in the report are supportable and focus upon the scheme delivery within the HRA.

**7. Director of Finance's comments**

7.1 The Council have carried out a draft financial appraisal that demonstrates that there is a strong possibility that a viable development with 100% Social Housing at affordable rent costing in the region of £38m could be delivered on the site.

7.2 The NPV over a 30 year period suggest that once running a sensitivity on the assumptions that the Council should seek to secure a planning permission and working up a design at a cost of around £260,000. This will be funded from unsupported borrowing.

7.3 Once planning is secured a further report that updates the financial appraisal and assumptions contained within it will be bought back to the Portfolio holder for approval of an overall scheme.

.....  
Signed by: **James Hill**  
**Director for Housing, Neighbourhood and Building Services**

**Appendices:** A - plan

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by:



# Agenda Item 5



Portsmouth  
CITY COUNCIL

<b>Title of meeting:</b>	Cabinet Member for Housing & Preventing Homelessness
<b>Date of meeting:</b>	25 January 2021
<b>Subject:</b>	Private Rental Sector Strategy for Portsmouth
<b>Report by:</b>	James Hill (Director of Housing Neighbourhoods and Building Services)
<b>Reports Authors:</b>	Paul Fielding - Assistant Director of Housing Patrick Lee - Interim Head of Private Sector Housing
<b>Wards affected:</b>	All
<b>Key decision:</b>	No
<b>Full Council decision:</b>	No

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## 1. Purpose of report

- 1.1. The purpose of the report is to present the City Council's strategy for the Private Rental Sector (PRS) in the city for approval.
- 1.2. The report provides an executive summary, objectives and actions as outlined in the strategy document.
- 1.3. The report contains the outcome of the consultation undertaken during September 2020 - November 2020 of the draft Private Rental Sector Strategy.

## 2. Recommendations

- 2.1. That the Cabinet Member for Housing and Preventing Homelessness notes the consultation feedback on the draft Private Rental Sector Strategy amounting to 458 responses.
- 2.2. That the Cabinet Member for Housing and Preventing Homelessness approves the Private Rental Sector Strategy 2021- 2026 for Portsmouth. (Appendix 1) and agrees the final strategy will be published on the PCC website.
- 2.3. That the Cabinet Member for Housing and Preventing Homelessness approves the implementation of the actions within the strategy and delegates to the Director for Housing Neighbourhood and Building Services the ability to deliver those actions within existing resources or to provide necessary information to allow the Cabinet



Member to make decisions in relation to any requirement for additional resources necessary to implement these actions.

2.4. That the Cabinet Member for Housing and Preventing Homelessness approves that the following actions that were included in the 2020 PRS consultation are prioritised as they received the highest level of support. These actions are outlined in sections 6.7 & 7.3 of this report but are summarised below.

2.4.1. **Unlicensed HMOs:** To continue to deal proactively when an unlicensed HMO is reported (88% of consultation respondents said very high or high priority) and **Professional standards of regulation:** Ensure that officers responsible for regulating the PRS are trained to a professional standard and capable of meeting the needs of the strategy (84% of respondents said very high or high priority). These actions are expected to be achieved in year one of the strategy.

2.4.2. **Workshops: (A)** To work with landlord groups to provide workshops on how to be a good landlord. **(B)** To work with tenancy groups to provide workshops on how to be a good tenant, aimed at helping a tenant to maintain a tenancy (76% of respondents said very high or high priority) and **Mediation:** Create a mediation service between landlords and tenants to help improve security of tenure. (72% of respondents said very high or high priority). These actions are expected to be achieved in year one of the strategy.

2.4.3. That the following action is also brought forward as it will help to support people to find homes in PRS as the impact of the lifting of the COVID-19 eviction ban is felt. **Financial support:** To undertake a pilot of the rent deposit and bond scheme. This action is expected to be achieved in quarter one of 2021/22.

2.5. That the Cabinet Member for Housing and Preventing Homelessness notes that the following additional actions are expected to be achieved by 31 March 2022. These actions are summarised. Full details are in section 6.8 of this report. These actions are expected to be delivered within current budgets.

2.5.1. Communication/information: To provide information for tenants, expand the current website, investigate a single communications and web strategy with stakeholders.

2.5.2. Governance: To develop the current HMO governance board into a multi-agency partnership group to oversee this strategy

2.5.3. Shared services: To work with stakeholders to increase the understanding of the services that could be provided across Portsmouth to support the PRS.

2.5.4. Council internal processes: To implement the revised supplementary planning document for HMOs. Review enforcement policies to make them more

transparent. Work with other local authorities to find new ideas to support the PRS. Ensure that data sharing is maximised within legislation.

2.5.5. Pilots: To approach the MHCLG to look for support for the implementation of this strategy, including piloting some of the changes identified in section 7 of this report.

2.5.6. Additional licencing for HMOs: A Decision will be required on the appropriateness of a consultation on reintroducing additional licencing for HMOs. This decision is anticipated to be made in the summer or early autumn of 2021 as the PRS becomes more stable and we move away from the pandemic. Further information is contained in section 7.3.5 of this report.

### **3. Background**

3.1. The PRS is an important part of the provision of housing in Portsmouth, as it is across England. It is not only vital in providing a home for some 30,000+ people that live in it and a living for those that are landlords, but also has a wider impact upon the economy and community of the city.

3.2. The legislative and policy framework which surrounds the renting of private homes is complex and has developed over a number of years, with a focus on health and safety, home standards and the requirements surrounding tenancies. The signal from the government at the end of 2019 was that more legislation can be expected, particularly around the ending of 'no fault' evictions. Although many changes have been put on hold due to the pandemic it is expected that they will be introduced in 2021. The impact of this change upon the PRS is unclear but could bring major changes to the market. Any PRS strategy will therefore need to evolve as the additional anticipated legislative changes and regulation follow in 2021.

3.3. The licencing of Houses in Multiple Occupation (HMOs) has been a major change in recent years but only covers a part of the HMO sector. Whilst licencing has focused the council on the standards within properties, it has not been fully utilised to deal with the proven impacts that they can have on the local community. The impact of HMOs on waste and antisocial behaviour is disproportionate to their number and this should be addressed.

3.4. It is also clear that the supply and demand for private renting in Portsmouth is biased towards the suppliers, with demand having risen in recent years due to a growth in student numbers, increasing numbers not able to own their own home and the slow shrinkage of the social rented sector. In many cases market rents are significantly above what those on benefits can reasonably be expected to afford, and access often requires a significant deposit, rent in advance or a guarantor.

3.5. During 2019 the Cabinet Member for Housing and Preventing Homelessness indicated that a formal strategy to addresses issues within the PRS in Portsmouth was required.



- 3.6. In order to move forward with the PRS strategy the council undertook an online survey to discover the view of tenants and landlords who are active in Portsmouth. This took place in late 2019. The results of this survey were used by officers to produce a draft strategy.
- 3.7. The draft strategy was brought to the Cabinet for consideration on 10 March 2020. The report updated members on a range of issues in the Private Rental Sector (PRS) and set out a draft PRS strategy. Cabinet agreed that the draft PRS strategy should be subject to a public and stakeholder consultation.
- 3.8. Since that decision was made the COVID-19 pandemic has had a major impact on the private rental sector in Portsmouth, including eviction bans, potentially rising rent arrears and tenants unable to move. The COVID-19 pandemic has also resulted in the private rental sector undergoing major shifts with increases in job uncertainty, furloughing and lockdowns affecting service industries such as retail and hospitality. As a result it is anticipated that there will be a growing dependence on Universal Credit. Officers expect that there will be an uncertain rental market in 2021.
- 3.9. In addition there has been an impact on the City Council's ability to fully regulate and monitor the private rental sector due to restrictions in the safe visiting and entering of domestic properties.
- 3.10. The impact of the pandemic upon the council's ability to communicate and consult with residents delayed the implementation of the consultation on the draft strategy. It eventually took place over an 8 week period ending on 11 November 2020.
- 3.11. The Private Sector Housing and Research & Engagement teams collaborated to produce the consultation, which was delivered using an online survey available through the City Council's website. Links were sent to key stakeholders and it was advertised through social media. There were 458 completed responses to the survey, 31% were from landlords and 46% were from tenants. This compares to the previous survey when there were 849 respondents, of which 38% were from landlords, and 61% were from tenants. The latest survey results are summarised in Section 12 of the strategy and have been appropriately considered in shaping the final strategy.

#### **4. Outline of, and response to, the strategy**

- 4.1. The September/November 2020 consultation shows that there is an appetite for a private rental strategy. Support for the strategy objectives was high; the majority of respondents agreed with each one. Strong regulation was met with the highest level of agreement amongst respondents with 90% saying they 'strongly agree' or 'agree'.
- 4.2. An assessment of the tenants of Portsmouth shows that whilst the largest single group of renters are those under 35 years old, an increasing number of people are renting for the long-term, with the number of tenants over 45 years old on the increase. This use of the PRS as a long-term solution for housing is something that needs to be at the heart of a strategy which makes the sector work for all.



- 4.3. In addition the consultation confirms that the majority of private renters in Portsmouth have a periodic rental term where it continues on a rolling monthly basis (70%) and that the remaining cohort have a fixed term tenancy with a definite expiry date (30%). In addition to this the consultation suggests that 79% of private renters plan to be renting for the long term with 76% saying that they rent because they do not have an alternative option.
- 4.4. Tenants in Portsmouth have shown that they want a safe and secure place to live, which is affordable and can be rented for as long as needed and this strategy proposes.
- 4.5. The integration of private tenancies into the rest of the community has been shown to need improvement to meet the needs of both users of the sector but also neighbours and other stakeholders.
- 4.6. Many of the landlords with properties in the city will be individuals with one or a few places to rent, and are doing so either as an investment or have obtained property unintentionally. Many landlords feel that issues such as taxation and regulation have made being a landlord harder and are focussing on the security of their property and consistent payment of rent as top priorities.
- 4.7. The nature of how someone became a landlord does not necessarily indicate how good they are at managing a property, although those with less experience and time to understand the complex regulations and local policies are more likely to fall foul of them. Driving up the standards of landlords and the properties they provide are vital and the opportunity for improvement should be given to those who are well intentioned but need clear advice and training. Conversely the City Council should be making every effort to find and root out those landlords who, either deliberately or through ignorance, put the lives of people at risk through dangerous homes, or exploiting those who are vulnerable. By focusing on the creation and support of more good landlords, standards should go up:
- 4.8. The evidence leads to six themes which make a well-functioning private rental sector, and if these can be improved then it is highly likely that the lives of tenants, landlords, neighbours and other stakeholders will also improve. These are:
- 4.8.1. Affordability
  - 4.8.2. Safety
  - 4.8.3. Security of tenure
  - 4.8.4. Ease to enter and leave the sector
  - 4.8.5. Ability to work well with other tenures and is part of the community
  - 4.8.6. Regulation

## **5. Strategic aims and objectives**

5.1. All of the local and national evidence leads to a conclusion that the private rental sector works for many but does not work as well as it could in all instances. This leads to any strategy having two overarching aims:

5.1.1. To achieve an active and well-functioning PRS which works fairly for all.

5.1.2. For the PRS to be seen as a desirable type of tenure which meets the needs of those who use it, with support being focussed on those who need it most.

5.2. From this there flow nine proposed strategic objectives. We asked people in the city to indicate those objectives that they wished to support. These are listed below with percentage of respondents who 'strongly agreed' or 'agreed' shown.

5.2.1. Good landlords will be welcomed, supported and promoted through the use of accreditation (83%).

5.2.2. Information and guidance for landlords and tenants will be clear and easy to access to enable them to make fully informed choices when entering and moving around the PRS (90%).

5.2.3. More tenants can afford a sustainable rent level. More tenants will also receive support in overcoming financial access barriers such as deposits and bonds (77%).

5.2.4. The maintenance of tenancies will be supported, as far as possible, using a range of routes to try to resolve problems without the need for eviction (78%).

5.2.5. Users of the PRS will be a stronger part of, and more integrated with, their local community. This will increase inclusion and cohesion with other tenures (62%).

5.2.6. A wide range of stakeholders and user groups will work together to provide a focal point for the delivery of outcomes (63%).

5.2.7. Tenants and landlords will be considered when significant decision-making within the city occurs, and that the benefits of economic regeneration will be felt equitably by those within the PRS (80%).

5.2.8. Fair, transparent and professional regulatory functions will provide reassurance and support to all that request it and not adversely affect those that need help by adding disproportionate burden (77%).

5.2.9. Strong regulators will use all of their powers, working with partner agencies and stakeholders, to tackle and remove criminal and antisocial behaviour (86%).

## **6. Initial council action plan**

A properly functioning PRS would encourage the following things:

6.1. Tenants to:

6.1.1. Pay their rent on time

6.1.2. Communicate well with landlords and neighbours

6.1.3. Take care of their home even though they don't own it

6.1.4. Understand and follow the tenancy agreement

6.2. Landlords to:

- 6.2.1. Act in a fair, considerate and just way towards tenants
- 6.2.2. Create a good tenancy
- 6.2.3. Maintain a good tenancy
- 6.2.4. Work in good faith with tenants and regulators to resolve problems
- 6.2.5. Ending a tenancy in a good way

6.3. The role of the City Council to help deliver those things is varied but not without limits. It is not aiming to take management responsibility for a number of rental properties, nor can it mandatorily control rent levels.

6.4. But there is more that it can do, both in the short term and over the next few years to improve the private rental sector in Portsmouth. Improvement needs to be measured, and overseen not only by the council but also by the network of stakeholder groups that it works with.

6.5. The draft strategy, published in March 2020, identified actions officers could undertake without the need for additional permissions or resources. The aim was that all of these would have been completed by 31<sup>st</sup> December 2020. However the COVID-19 pandemic had significant impacts upon landlords, tenants, stakeholder groups and the City Council. These led to delays in implementing those actions.

6.6. Although some progress has been made it is proposed that an action plan is put in place to move forward with these actions.

6.7. The two top priorities for action from this list identified in the consultation are:

6.7.1. **Unlicensed HMOs:** Continue to deal proactively when an unlicensed HMO is reported (88% said very high or high priority) and

6.7.2. **Professional standards of regulation:** Ensure that officers responsible for regulating the PRS are trained to a professional standard and capable of meeting the needs of the strategy (84% said very high or high priority). Both of these actions are expected to be achieved in year one of the strategy.

6.8. These actions will be given precedence and although they are not time limited it is an informal quarterly report and a formal annual report is made available so that progress can be monitored. The remaining actions achieved a very high or high average priority score in the consultation and have been grouped under headings. Full list of actions below in order of priority:

6.8.1. **Communication/information:** Provide more information for tenants, such as average market rents across property sizes. Expand on the current website information on what makes a good tenant (including different situations). Investigate with third party stakeholders the feasibility for closer partnership

working on a single communications and web strategy. This action is expected to be achieved in year one of the strategy.

- 6.8.2. **Governance:** Develop the current HMO governance board into a multi-agency partnership group which oversee this strategy. Review the stakeholders to ensure that all voices are covered. This action is expected to be achieved in year one of the strategy.
- 6.8.3. **Financial support:** Undertake a pilot of the rent deposit and bond scheme. This action is expected to be achieved in quarter one of 2021/2022.
- 6.8.4. **Shared services:** Work more closely with stakeholders to increase the understanding of the services that could be provided across Portsmouth to support the PRS. This action is expected to be achieved in year one of the strategy.
- 6.8.5. **Council internal processes:** Implement the revised supplementary planning document for HMOs. Review all relevant enforcement policies to make them more transparent. Work with other local authorities to find new ideas to support the PRS. Ensure that data sharing, both within the Council and with external partners is maximised, within legislation. This action is expected to be achieved in year one of the strategy.
- 6.8.6. **Pilots:** Working with stakeholders, approach the MHCLG to look for support in the development and implementation of this strategy, with a particular request to pilot some of the changes identified in section 7 of this report. This action is expected to be achieved in year one of the strategy.

## 7. Actions which require further work

7.1. Officers will be required to bring further, more detailed, reports to councillors for approval before any can be permanently implemented. These will outline costs, timescales, risks, impacts and an operational delivery plan.

7.2. These actions have been reviewed in light of the response to the consultation and have been grouped and are set out in order of priority below. This priority has been established by combining the very high priority and high priority scores for each action. The highest scoring actions are landlord workshops (76%) and a mediation service (72%). The overarching aim is that all agreed actions within the final strategy will be completed within the five year period. Progress of this will be monitored by the Cabinet Member for Housing & Preventing Homelessness.

7.3. Those actions are:

- 7.3.1. Workshops: (A) Work with landlord groups to provide workshops on how to be a good landlord. E.g. how to choose appropriate tenants and carrying out their own HHSRS assessment on their property. (B) Work with tenancy groups to provide workshops on how to be a good tenant, aimed at helping a





tenant to maintain a tenancy. Focussing on money management, behaviour & how to work with the landlord (80% of private renters compared to 66% of landlords who took part in the survey gave a 76% rating of high or very high priority) - **This will be an initial task for the newly appointed Housing Regulation Manager. Aim to have workshops up and running from July 2021.**

- 7.3.2. Mediation: Create a mediation service between landlords and tenants to help improve security of tenure. This may include a 'private sector housing court' - (76% of private renters compared to 65% of landlords who took part in the survey gave a 72% rating of high or very high priority) - **Officers to work with the Portsmouth & District Private Landlords Association (PDPLA) to move this forward including seeking funding to deliver. This action is expected to be achieved in year one of the strategy subject to funding.**
- 7.3.3. Financial support for the PRS: Provide loans for good, accredited landlords to improve the quality of their property. Provide low interest loans for those who are eligible to be able to access the private rental sector (the loan will cover the rent deposit and any additional fees required to be paid to enter the Private Rental Sector). Provide bonds to help those who are eligible to gain access to the PRS (A range of 68% to 77% of private renters compared to a range of 43% to 59% landlords who took part in the survey gave a range of 58% to 67% rating of high or very high priority for these actions combined) - **Officers have been working on a partnership scheme to provide financial support to the sector. This work is ongoing. Officers will report back to Members with progress. This action is expected to be achieved in year one of the strategy.**
- 7.3.4. Accreditation: Expand the Rent it Right model to help more tenants across the PRS. Working with multi-agency partners, develop the council's accreditation scheme to offer benefits to good landlords - This work will build on the progress made by officers during the pandemic who have built constructive relationships with landlords and tenants. (A range of 64% to 73% of private renters compared to 51% of landlords who took part in the survey gave a range of 59% to 66% rating of high or very high priority for these actions combined) **Respondents to the consultation urged that accreditation should be aligned with national schemes such as those supported by the National Residential Landlords Association (NRLA). Officers will investigate this proposal. This action is expected to be achieved in year two of the strategy.**
- 7.3.5. **Additional licencing:** Consult on reintroducing additional licencing for HMOs to help in the better management of them and understand how they interact with the local community (66% of private renters compared to 48% of landlords who took part in the survey gave a 62% rating of high or very high priority) - **Officers propose that this action is reviewed once the above actions outlined in 7.3.1-7.3.4 of this report have been completed or are in**

**progress and the private rental sector is stable as we move away from the pandemic. It is anticipated that the earliest time to consider this would be the summer and early autumn of 2021.**

## **8. Reasons for recommendations**

8.1. As outlined in this report the need for this strategy has been identified to improve the private rentals sector within Portsmouth, which is home to at least 20% of the whole population.

8.2. Officers have identified actions which can be undertaken during the first year of the strategy, to give some short term impetus to this work.

## **9. Integrated impact assessment**

9.1. An Integrated Impact Assessment can be found at Appendix 3.

## **10. Legal implications**

10.1 The legal implications of the proposals are contained within the report and the appendices referred to along with the policy document. There is nothing that gives rise to risk worry either in terms of what is proposed or how the proposals are implemented- adequate and proportionate consultation has been undertaken engaging all relevant groups.

## **11. Director of Finance's comments**

11.1. The recommendations within this report will be met from existing approved cash limited resources.

11.2. As set out in section 7 if as result of a successful pilot it is identified that further financial resources are required a report will be bought back for decision that sets out the initiative, the costs associated with it and a funding source.

.....  
Signed by: James Hill, Director of Housing, Neighbourhood and Building Services

### **Appendices:**

**Appendix 1 - Private Rental Sector Strategy**

**Appendix 2 - Supporting information and consultation summary**

**Appendix 3 - Integrated Impact Assessment**

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>
Making the Private Rented Sector easier and safer - Housing Cabinet decision report 21 <sup>st</sup> October 2019	<a href="#">Agenda for Cabinet Member for Housing on Monday, 21st October, 2019, 4.30 pm Portsmouth City Council</a>
Draft Private Rental Sector Strategy for Portsmouth - Cabinet decision report 10 <sup>th</sup> March 2020	<a href="#">Agenda for Cabinet on Tuesday, 10th March, 2020, 12.00 pm Portsmouth City Council</a>

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by:

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# Private Rental Sector Strategy for Portsmouth 2021-2026

## *Part 1*

To achieve an active and well-functioning Private Rental Sector which works fairly for all.

## Executive Introduction by Councillor Sanders, Cabinet Member for Housing

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Since the first draft of this document was approved early last year, COVID has upended the world. The private rented sector (PRS) is no exception. The likely increase in unemployment and - once the ban on them is over - evictions, will exacerbate already existing issues.

The easy thing to do is nothing and wait for something to happen. That is a mistake. The pandemic has not changed the situation we outlined in the first draft of this document. Renting privately still remains the only way many Portsmouth people can get a place to stay. Opposition to any form of housebuilding remains, as do Government targets for doing so.

The barriers to entering the PRS are still there. As part of this strategy, the Council conducted the two most comprehensive surveys of private tenants and landlords this city has ever seen. I want to thank everyone who took part, some more than once. What they say is interesting and consistent.

Most private tenants feel trapped, with no plan or ability to move from where they are. They want a safe, secure and affordable place to live, tough action on criminal tenants and landlords and access to rent deposits and guarantees

that help them move (the Council pilot to help them fell victim to the pandemic but is now back on). The absence of those things - rightly or not - still makes people on the council's waiting list want to stay there, rather than rent privately.

The vast majority of landlords are not commercial organisations, but people who see being a landlord as a way to supplement income or investment. More than one in six fell into it by accident. Yet what they want overlaps with tenants' desires in many ways. They want secure tenants living in a safe property that is not empty for long periods. They also want criminal landlords and tenants dealt with. They are in it for the long-term and want a low risk, low return investment.

Alongside this is the fact that many people living near these properties - especially shared houses (HMOs in the jargon) - fear rubbish in the forecourts or on the streets, noise late at night or 'the wrong sort of person' residing at the property.

But it is not just the context that remains unchanged by the virus. So are the solutions and approach. We still need to overcome these barriers and make a PRS attractive to current and potential tenants and landlords and respectful of

their neighbours. This cannot be done overnight and this strategy does not pretend it can. Instead, it puts forward an integrated, long-term, ambitious and radical package of measures that covers extra advice and support - including financial support - for tenants and landlords and tougher enforcement measures, including consulting on additional licensing for smaller HMOs, where there are a significant number of complaints, and a comprehensive mediation service for tenant/landlord disputes, backed up by Britain's first 'housing court'.

Doing nothing remains a mistake. So is believing that one silver bullet of a policy will solve a complex, interacting range of issues. That still comes from an integrated solution that delivers a PRS that works for Portsmouth. The Council cannot achieve that goal by itself and this strategy does not pretend it can. It must - and will - work with tenants, landlords, Government and other statutory bodies to overcome the

barriers to renting privately. This strategy allows the Council to do that. That is why it was important that the Council reconsulted on these proposals during the pandemic, for eight weeks ending last November.

That consultation confirmed what we knew. Overcoming the barriers to renting privately in Portsmouth requires carrots and sticks that help free tenants from the trap they feel they are in, help landlords get the low risk, low return investment they want and punish tenants and landlords that deserve it in a way that does not harm the many in pursuit of the few.

The pandemic may have altered some aspects of the package from early last year, but it remains an ambitious, comprehensive and radical package of measures for the next five years. Only by working together can we make renting privately work in Portsmouth now and in the future.

**Councillor Darren Sanders**

**Cabinet Member for Housing and  
Preventing Homelessness, January 2021**



## Executive summary

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The private rental sector (PRS) is an important part of the provision of housing in Portsmouth, as it is across England. It is not only vital in providing a home for some 30,000 people that live in it, and a living for those that are landlords, but also has a wider impact upon the economy and community of the city.

The legislative and policy framework which surrounds the renting of private homes is complex and has developed over a number of years, with a focus on health and safety, home standards and the requirements surrounding tenancies. The signal from the government at the end of 2019 was that more legislation can be expected, particularly around the ending of 'no fault' evictions. Although not introduced at the time that this strategy was published it is anticipated that these changes will be made in 2021. The impact of this change upon the PRS market is unclear but could bring major changes to the market.

The licencing of Houses in Multiple Occupation (HMOs) has been a major change in recent years but only covers a part of the HMO sector and whilst licencing has focused the council on the standards within properties, it has not been fully utilised to deal with the proven impacts that they can have on the local community. The impact of HMOs on waste and antisocial behaviour is disproportionate to their number and this should be addressed.

It is also clear that the supply and demand market for private renting in

Portsmouth is biased towards the suppliers, with demand having risen in recent years due to a growth in student numbers; increasing numbers not able to own their own home and the slow shrinkage of the social rented sector. In many cases market rents are significantly above what those on benefits can reasonably be expected to afford, and access often requires a significant deposit, rent in advance or a guarantor.

An assessment of the tenants of Portsmouth shows that whilst the largest single group of renters are those under 35 years old, an increasing number of people are renting for the long-term, with the number of tenants over 45 years old on the increase. In addition to the above the consultation tells us that the majority of private renters in Portsmouth have a periodic rental term where it continues on a rolling monthly basis (70%) and that the remaining cohort have a fixed term tenancy with a definite expiry date (30%). In addition to this the consultation suggests that 79% of private renters plan to be renting for the long term with 76% saying that they rent because they do not have an alternative option.

This use of the PRS as a long-term solution for housing is something that needs to be at the heart of a strategy which makes the sector work for all. Tenants in Portsmouth have shown that they want a safe and secure place to live, which is affordable and can be rented for as long as needed and this strategy proposes that good tenants do the following:



- **pay their rent on time,**
- **Communicate well with landlords and neighbours**
- **take care of their home even though they don't own it**
- **Understand and follow the tenancy agreement**

Many of the landlords with properties in the city will be individuals with one or a few places to rent, and are doing so either as an investment or have obtained property unintentionally. Many landlords feel that issues such as taxation and regulation have made being a landlord harder, and are focussing on the security of their property and consistent payment of rent are top priorities.

The nature of how someone became a landlord does not necessarily indicate how good they are at managing a property, although those with less experience and time to understand the complex regulations and local policies are more likely to fall foul of them. Driving up the standards of landlords, and the properties they provide, is vital and the opportunity for improvement should be given to those who are well intentioned but need clear advice and training. Conversely the council should be making every effort to find and root out those landlords who, either deliberately or through ignorance, put the lives of people at risk through dangerous homes, or exploiting those who are vulnerable. Focusing on the creation and support of more Good landlords who do the following will drive up standards.

- **Act in a fair, considerate and just way towards tenants**
- **Create a good tenancy**
- **Maintain a good tenancy**

The integration of private tenancies into the rest of the community has been shown to need improvement to meet the needs of both users of the sector but also neighbours and other stakeholders.

- **Work in good faith with tenants and regulators to resolve problems**
- **Ending a tenancy in a good way**



The evidence leads to six themes which make a well-functioning private rental sector, and if these can be improved then it is highly likely that the lives of tenants, landlords, neighbours and other stakeholders will also improve. These are:

- **Affordability**
- **Safety**
- **Security of tenure**
- **Ease to enter and leave the sector**
- **Ability to work well with other tenures and is part of the community**
- **Regulation**

All of the local and national evidence leads to a conclusion that the private rental sector works for many but does not work as well as it could in all instances and therefore there are two aims that should be set

**1. To achieve an active and well-functioning Private Rental Sector which works fairly for all.**

From this there are nine proposed strategic objectives. We asked people in the city to indicate those objectives that they wished to support. These are listed below with percentage of respondents who 'strongly agreed' or 'agreed' shown.

- 1. Good landlords will be welcomed, supported and promoted through the use of accreditation (83%).**
- 2. Information and guidance for landlords and tenants will be clear, easy to access to enable them to make fully informed choices when entering and moving around the PRS (90%).**
- 3. More tenants can afford a sustainable rent level. More tenants will also receive support in overcoming financial access barriers such as deposits and bonds (77%).**
- 4. The maintenance of tenancies will be supported, as far as possible, using a range of routes to try to resolve problems without the need for eviction (78%).**
- 5. Users of the PRS will be a stronger part of, and more integrated with, their local community. This will increase inclusion and cohesion with other tenures (62%).**

**2. For the Private Rental Sector to be seen as a desirable type of tenure which meets the needs of those who use it, with support being focussed on those who need it most.**

- 6. A wide range of stakeholders and user groups will work together to provide a focal point for the delivery of outcomes (63%).**
- 7. Tenants and landlords will be considered when significant decision-making within the city occurs, and that the benefits of economic regeneration will be felt equitably by those within the PRS (80%).**
- 8. Fair, transparent and professional regulatory functions will provide reassurance and support to all that request it and not adversely affect those that need help by adding disproportionate burden (77%).**
- 9. Strong regulators will use all of their powers, working with partner agencies and stakeholders, to tackle and remove criminal and antisocial behaviour (86%).**

The role of Portsmouth City Council is varied but not without limits. It is not aiming to take management responsibility for a land number of rental properties, nor can it mandatorily control rent levels.

But there is more that it can do, both in the short term and over the next few years to improve the private rental sector in Portsmouth. Improvement

needs to be measured, and overseen not only by the council but also by the network of stakeholder groups that it works with.



The two top priorities for action from this list identified in the consultation are

- Unlicensed HMOs: Continue to deal proactively when an unlicensed HMO is reported (88% said very high or high priority) and
- Professional standards of regulation: Ensure that officers responsible for regulating the PRS are trained to a professional standard and

- HMOs: Continue to deal proactively when an unlicensed HMO is reported.
- Training: Ensure that officers responsible for regulating the PRS are trained to a professional standard and capable of meeting the needs of this strategy.
- Communication/information: Provide more information for tenants, such as average market rents across property sizes. Expand on the current

capable of meeting the needs of the strategy (84% said very high or high priority).

These actions will be given precedence and although they are not time limited it is an informal quarterly report and a formal annual report is made available so that progress can be monitored. The remaining actions achieved a very high or high average priority score in the consultation and have been grouped under headings. Full list of actions below in order of priority:

- website information on what makes a good tenant (including different situations). Investigate with third party stakeholders the feasibility for closer partnership working on a single communications and web strategy.
- Governance: Develop the current HMO governance board into a multi-agency partnership group which oversee this strategy. Review the stakeholders to ensure that all voices are covered.

- **Financial support:** Undertake a pilot of the rent deposit and bond scheme.
- **Shared services:** Work more closely with stakeholders to increase the understanding of the services that could be provided across Portsmouth to support the PRS.
- **Council internal processes:** Implement the revised supplementary planning document for HMOs. Review all relevant enforcement policies to make them more transparent. Work with other local authorities to find new ideas to support the PRS. Ensure that data sharing, both within the Council and with external partners is maximised, within legislation.

Further actions require additional investigation and resources. Officers will be required to bring further, more detailed, reports to councillors for approval before any can be permanently implemented. These will outline costs, timescales, risks, impacts and an operational delivery plan.

These actions have been reviewed in light of the response to the consultation and have been grouped and are set out in order of priority below. The highest scoring actions are workshops (76%) and a mediation service (72%). The overarching aim is that all agreed actions within the final strategy will be completed within the five year period. Progress of this will be monitored by the Cabinet Member for Housing & Preventing Homelessness

- **Pilots:** Working with stakeholders, approach the MHCLG to look for support in the development and implementation of this strategy, with a particular request to pilot some of the changes identified below.

1. **Workshops:** (A) Work with landlord groups to provide workshops on how to be a good landlord. E.g. how to choose appropriate tenants and carrying out their own HHSRS assessment on their property. (B) Work with tenancy groups to provide workshops on how to be a good tenant, aimed at helping a tenant to maintain a tenancy. Focussing on money management, behaviour & how to work with the landlord.
2. **Mediation:** Create a mediation service between landlords and tenants to help improve security of tenure. This may include a 'private sector housing court'.

3. **Financial support for the PRS:** Provide loans for good, accredited landlords to improve the quality of their property. Provide low interest loans for those who are eligible to be able to access the private rental sector (the loan will cover the rent deposit and any additional fees required to be paid to enter the Private Rental Sector. Provide bonds to help those who are eligible to gain access to the PRS
4. **Accreditation:** (A) Expand the Rent it Right model to help more tenants across the PRS. (B) Working with multi agency partners, develop the council's accreditation scheme to offer benefits to good landlords
5. **Additional licencing:** Consult on reintroducing additional licencing for HMOs to help in the better management of them and understand how they interact with the local community

This strategy presents an ambitious opportunity for Portsmouth to make real improvement in the lives of many that call it home, but don't have the security offered in the owner occupier or social

rented sectors. By making it a housing solution for the short and long term it can have great benefits for the whole city.

## Consultation

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Consultation on this strategy was carried out in the Autumn of 2020. The consultation took place over 8 weeks and ended on 11 December 2020. The results tell us that the majority of private renters in Portsmouth have a periodic rental term where it continues on a rolling monthly basis (70%) and that the remaining cohort have a fixed term tenancy with a definite expiry date (30%). In addition to this the consultation suggests that 79% of private renters plan to be renting for the long term with 76% saying that they rent because they do not have an alternative option. A summary of the consultation findings can be found in Appendix 2.



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# Part 1 Making the Private Rental Sector work in Portsmouth

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## Section 1: Helping those for whom the PRS does not work

For many people the PRS (Private Rental Sector) meets their needs, whether for short-term renting whilst they find the right location to live or whilst they pass through into either owning their own home or into social rent. It has also been shown that only a small proportion of PRS properties in the city are complained about to the council, either by tenants or by neighbours.

However, these statements lead to further questions which need to be addressed

- 1. Can the satisfaction of the main user groups with the PRS be solely based upon the demand they place upon the council?**
- 2. What about the groups and individuals, for whom the PRS does not work?**

The PRS market in Portsmouth is driven by the lack of supply compared to the level of demand. With a large student population and areas of deprivation these factors suggest that it is possible, in some situations, that tenants are being exploited either by paying high rents or living in non-decent conditions. If such exploitation is occurring it is also possible that some tenants are not approaching the council, or other organisations, for help for fear of the consequences that this may have.

Helping those groups of main users who are not in the situation they would chose to be in should be the focus of this strategy for the following reasons.

- **Exploitation.** Even where the initial access can be afforded, tenants on the lowest incomes often have to choose a PRS property based upon ongoing affordability (i.e. where they can keep up the rent payments), and may accept the property being in a poor condition or being unsuitable for their needs in term of location, size or amenities. These tenants are the less likely to complain about their living conditions for fear of retaliatory eviction, or rental increase if their landlord did carryout repairs or improvements to the property. Equally, a landlord, who may not be aware of all of the requirements, is at risk of exploitation from disreputable tenants
- **Consistency of living.** For those who are living in the PRS long-term, especially those with families, they need to able to feel that they are making a home. They need to feel confident that, providing they are acting as reasonable tenants, they can continue to live in their property for as long as possible. Where landlords wish to reclaim the property, tenants should be able



to be aware of their rights, and expect as much notice as possible from the landlord

- The supply and demand imbalance means that some landlords may not have the knowledge or inclination to act as good landlords. This in turn could put them, their properties, their tenants and their neighbours at risk. By supporting this group it will enable a landlord for whom it is not working to either exit the industry or gain the skills to become a good landlord.

This means that this strategy should be focussed on helping tenants stuck in the PRS and landlords who either need help to become a good landlord, or want to leave the sector.

In addition this strategy proposes that it should be tougher on those landlords

that deliberately choose not to be good landlords for the following reasons.

- **This groups has a negative effect on other stakeholders in the PRS, including neighbours, local authority etc.**
- **For everyone to have confidence in a well-functioning PRS in Portsmouth, there needs to be a strong enforcement.**

Whilst this strategy acknowledges that tenants should behave in a reasonable manner, legislation already exists to allow landlords to deal with poor tenant behaviour, and the demand-led market is in the landlord's favour in this respect.

There are a number of changes to the PRS which would help these groups, not all of which do the council have the ability or responsibility.

### **Increase supply of properties to use as homes**

"A consumerist regulatory model works best when a buyer is able to choose between competing sellers, while sellers have to provide quality of product in order to attract a buyer." (Marsh and Gibb <sup>26</sup>)

Currently the supply and demand model in Portsmouth is skewed in favour of landlords and sellers of properties as the amount of people

looking for housing is significantly greater than the amount of housing stock available. Therefore the number of homes in all tenures needs to rise, although it is important that they are the right size and mix of property types to ensure that. A development programme which focusses solely on one tenure type, or does not provide properties for different tenants and families, is likely to fail.

### More social housing available for those who need it

If more property was available at rents people can afford, then tenants who cannot sustain a PRS tenancy will have more and better choices.

Some of that is happening. Housing associations are using sites like the former Kingston Prison to provide homes people can afford. In addition to

building homes, the Council is committed to buying 500 homes for council use by Spring 2024. However it is recognised that more must be done. By having tenures and policies that also encourage those that can leave the social sector to do so, it will help to recycle social and affordable properties back for those who need it the most.

### More owner/occupier homes

By increasing the amount of owner occupiers in the market you reduce the reliance on the PRS being the stop gap

for both first time buyers and owner occupiers who cannot move effectively as they would have done 20 years ago.

### More homes for private rent

As this report will show, an increasing number of people are using the PRS as permanent accommodation and therefore it is important that supply can meet this demand. It is also as important that the properties are good quality and free from health and safety hazards, so that the tenant is paying for a home that is not going to cause them ill health and is value for money.

The following models have been suggested to ensure that the housing stock in the private rental sector continues to grow.

- **Build new stock specifically for market rental.**
- **Re-designate existing social rented stock.**
- **Purchase housing from the open market for use as rental stock.**
- **Managing property on behalf of existing private landlords.**

### More financial support to enter / move around in the PRS

A significant problem for those on the lowest levels of household incomes (and those on benefits) benefits is gaining access to the PRS. Landlords may have concerns about the ability to sustain the rent and often require additional security, such as a guarantor or bond, or significant upfront rent (usually at least one month in advance) before they will be accept a tenant, and

this is particularly difficult for those who cannot afford it.

In January 2020 the council began a review of a number of options to pilot which may address this issue including a trial to offer improved bonds, and access to 0% interest loans for those who met the agreed eligibility criteria

### **More financial support to stay in the PRS**

The gap between the Local Housing Allowance (LHA) rate and market rent means those on benefits will, in many cases, need to use other benefits to top up the rent, which mean they have less disposable income to spend on other essentials such as fuel, food, transport etc.

If the money available for those on benefits met the mean average rent this would enable tenants to have a realistic choice about the type of property they wish to stay in. This would require either the government to raise LHA rate, or for the local authority to offer rent top ups to meet this.

### **Maximise the efficiency of the stock**

It is a choice for those that can afford to pay to rent a property that is larger than their family needs, and the city council has neither the power to force people to move out of their homes, into something smaller, simply to create capacity. However it must be acknowledged that, as in all housing tenures, whilst there is a great deal of over occupation, there will also be some under occupation which if

resolved, would create more capacity overall.

The role of the council should be to provide advice and support for tenants and landlords about how to get the most from their tenancy, and the benefits and impacts of moving, either to a larger or smaller property.

### **Economic Growth**

The council has an economic growth strategy which aims to deliver more, better paid jobs within the city.

It is therefore an important part of this strategy, and the economic regeneration strategy, that these benefits are seen by those who are in

the PRS, and particularly those who feel that they are trapped. An increase in wages and opportunities for this group is likely to enable them to have more choice about where to live, and be more likely to afford the rent on a sustainable basis.



## Section 2: Defining a well-function private rental sector in Portsmouth

From the supporting evidence that has been shown in Part 2 of this strategy, it is possible to outline what a well-functioning PRS would look like in Portsmouth, focussing on six key areas.

- **Affordability**
- **Safety**
- **Security of tenure**
- **Ease to enter and leave the sector**
- **Ability to work well with other tenures and is part of the community**
- **Regulation**

### Affordability

There would be a normal distribution of market rent levels in all areas with the mean average rent being at the relevant Local Housing Allowance rate, meaning that those on benefits could access a reasonable section of the PRS market.

Those in social rented sector would see the PRS as a possible place to move to if they wished to change to a property size, type or location that was

not available within the social sector. These people would be helped to make this move.

Bonds and guarantees would be easy to access in the event of a problem, and low cost deposits would be available for those that need them. Deposits could be easily moved from landlord to landlord as a tenant moves property.

### Safety

Properties would be maintained so that no properties were considered non-decent by the Decent Homes standards.

Landlords and tenants would work together to maintain the standard of the properties, each trusting the other that any problems would be resolved quickly and without hassle.

The number of deliberate problems in the fabric of a property, either through neglect by the landlord or deliberate action by the tenant would be very low. If such an issue did occur, it would be handled through an agreed process and all parties would abide by the decision.

### Security of tenure

No main user of the PRS would feel a power imbalance between tenants and landlords, and that both groups would feel the benefits of being in the sector for as long as desired.

For those who see the PRS as their long-term tenure of choice, they will feel

confident that they can remain in a property for as long as the landlord is renting, and providing they remain a good tenant.

Landlords and tenants would happily discuss their plans of tenure, with the

aim of reaching agreement about when it may come to an end.

Where short-term problems occur, for either the landlord (e.g. maintenance issues) or tenant (e.g. paying of rent),

### **Easy to enter and leave the sector**

Tenants would be able to find accredited, good landlords through a trusted and easy to use mechanism. They would have clarity about the rent levels and how this compares to others in the local area.

Tenants would understand the responsibilities of taking on a tenancy and start a new tenancy at a timescale that meets their needs. When leaving a tenancy, tenants would give fair notice, have any outstanding deposits returned to them excepting any fair and reasonable charges which are fully understood.

they will be honest with each other and clear about the plans and timescale to resolution.

Landlords would be able to find suitable information and support to buy a property, set it up for rent (adhering to all relevant legislation) and meet any licencing conditions of the local area.

Landlords would find it easy to find new tenants, especially if they are considered a good and accredited landlord. When it comes to leaving the sector landlords would be able to end any existing tenancies in an orderly fashion within a reasonable timescale and pass on or sell the property. Ideally this would be to another good landlord.

### **Works well with other tenures and is part of the community**

Those who live in the PRS, especially those in (HMO) Houses of Multiple Occupation, would be respectful of neighbours who may be in other tenures.

All users of the PRS would feel that they are part of their local community and have a responsibility to play their part in maintaining local environmental standards and a reasonable behaviour.

All stakeholders (such as the council, University, landlords etc.) would work together to promote community engagement.

Eventually it would be difficult to identify a PRS property from any other type of tenure.

### **Regulation**

All who were in the PRS would have clear access to information which explained what was expected from them, the national legislation, local policy and the enforcement regime.

The council would only introduce policy changes or local regulation after providing suitable evidence. Where

schemes are introduced, it should be at the aim of helping those who need it most.

Good behaviour by tenants and landlords would be supported and encouraged through appropriate accreditation schemes and the provision of information and education.

Local and national bodies who represent landlords and tenants would be visible.

Victims of crime within the PRS would be able to quickly and easily report it to the council, where it would be handled by professional officers who would provide the appropriate support and advice to help determine the best course of action.

Where investigations are undertaken, all would be clear of the reasons and the outcome, and any formal action that would be taken. The council would look to take all possible steps to remove criminal activity and wherever possible prevent individuals returning to the sector. This work would include collaborative working with The Police.





### Section 3: Strategic aim and objectives

The previous section of this strategy has identified what an ideal well-functioning PRS would look like in Portsmouth. These behaviours are seen on many occasions, but this strategy should be more ambitious about what can be done to make it a reality for more users. Therefore it proposes the following strategic aims and objectives.

#### Aims

**To achieve an active and well-functioning PRS which works fairly for all.**

**For the PRS to be seen as a desirable type of tenure which meets the needs of those who use it, with support being focussed on those who need it most.**

#### Objectives

1. **Good landlords will be welcomed, supported and promoted through the use of accreditation.**
2. **Information and guidance for landlords and tenants will be clear, easy to access to enable them to make fully informed choices when entering and moving around the PRS.**
3. **More tenants can afford a sustainable rent level. More tenants will also receive support in overcoming financial access barriers such as deposits and bonds.**
4. **The maintenance of tenancies will be supported, as far as possible, using a range of routes to try to resolve problems without the need for eviction.**
5. **Users of the PRS will be a stronger part of, and more integrated with, their local community. This will increase inclusion and cohesion with other tenures.**
6. **A wide range of stakeholders and user groups will work together to provide a focal point for the delivery of outcomes.**
7. **Tenants and landlords will be considered when significant decision-making within the city occurs, and that the benefits of economic regeneration will be felt equitably by those within the PRS.**
8. **Fair, transparent and professional regulatory functions will provide reassurance and support to all that request it and not adversely affect those that need help by adding disproportionate burden.**
9. **Strong regulators will use all of their powers, working with partner agencies and stakeholders, to tackle and remove criminal and antisocial behaviour.**

Strategic objective	Affordability	Safety	Security	Easy to enter and leave	Works well with the community	Regulation
1. Good landlords will welcomed, supported and promoted through the use of accreditation	Y	y	Y	y		
2. Information and guidance for landlords and tenants will be clear, easy to access to enable them to make fully informed choices when entering and moving around the PRS		y	Y	y		
3. More tenants who can sustainably afford rent will be encouraged. More tenants will also receive support in overcoming financial access barriers such as deposits and bonds	Y					
4. The maintenance of tenancies will be supported, as far as possible, using a range of routes to try to resolve problems without the need for eviction		y	Y			
5. Users of the PRS will be a stronger part of, and more integrated with, their local community. This will increase inclusion and cohesion with other tenures.					y	
6. A wide range of stakeholders and user groups will work together to provide a focal point for the delivery of outcomes.			Y		y	
7. Tenants and landlords will be considered when significant decision-making within the city occurs, and that the benefits of economic regeneration will be felt equitably by those within the PRS						y
8. Fair and transparent and professional regulatory functions will provide reassurance and support to all that request it, and not adversely affect those that need help by adding disproportionate burden.		y				y
9. Strong regulators will use all of their powers, working with partner agencies and stakeholders, to tackle and remove criminal and antisocial behaviour.				y	y	y



## Section 4: The roles currently undertaken by Portsmouth City Council in support of the Private Rental Sector.

The council currently undertakes a number of roles and delivers a number of services and support in a number of ways with regard to the PRS, and this part of the strategy aims to outline those. It also considers what further actions could be taken to deliver the strategic aims and objectives of Section

Three, many of which are complementary.

By providing clarity on its role it gives a clear direction on the direction it is taking and the actions it should take. Also, in a time of restricted resources, it gives clear guidance on the prioritisation of resources.

### Advise, Educate and Signpost

#### Advise

A significant role for the council is that of providing specific advice for PRS tenants, landlords and neighbours. It does this through a number of channels, including the council website, city help desk and direct to the Private Sector Housing Service, Planning service and others. Areas of advice include:

- **Housing Standards and Health & Safety in the home.**
- **How to apply for a licence to manage an HMO.**
- **How to save money in the home**
- **Waste collection dates.**

However this information has been organically created over a number of years and it is unknown if this reflects the needs of the customer.

#### Educate

In many instances the council goes beyond simple advice and offers more in-depth support and education to stakeholders.

##### Being a good tenant

The council's website has helpful information on how people can look after their finances to ensure that they are successfully managing to pay their rent and other bills. There is online support on how to apply for benefits and to ensure that the user has applied for everything that they are entitled to. However this is less than the support that tenants within council-owned stock receive, who have access to money

advisors who can meet face to face and help tenants to understand their finances in consequences of choices and places to receive help.

The council's Housing Needs, Advise and Support service advises tenants who are faced with homelessness, working with them and landlords to try to prevent an eviction wherever possible.

In cases where further support is required tenants are referred to third sector organisations who run various schemes to support tenants who could be at risk of losing their tenancy (including local authority tenants). The

schemes aim to educate them on how to be a better tenant by managing budgets, applying for the right benefits, managing the household and sometimes working to prevent anti-social behaviour.

The council will provide advice to a tenant on what their responsibilities are to the property that they are living in. This is especially important if the tenant's lifestyle is contributing towards the disrepair.

The Private Sector Housing service currently educates students in how to be good tenants and integrate into the community. They will also work with tenants, when there are concerns raised by neighbours, with the aim of creating a more integrated community.

#### Being a good landlord

The housing standards and licensing team work with landlords to ensure that they understand what their responsibilities are to their tenants. This will include; ensuring that the house that they are renting is safe and free from health and safety hazards; they provide the correct paperwork to their tenant (e.g. a gas safe certificate and

an Energy Performance Certificate) and how to evict a tenant legally.

Housing Needs Advice and Support will contact a landlord should a tenant come to them with a potential eviction concern. They will also discuss the eviction process with a landlord. If the landlord appears to have served eviction paperwork incorrectly they will be advised of this.

The council website provides landlords with information about how to apply for planning permission to own a House in Multiple Occupation. It also provides information on how all properties should be kept free from hazards that can cause harm to the occupier. There is information on how to carry out your own risk assessment for your property as well as who to contact if you need further support.

The Rent it Right Website provides a comprehensive guide for landlords to learn about all areas of the rented sector and what is expected of them. The website includes links to the planning portal to make an application to create a House in Multiple Occupation to being an accredited landlord through the Rent it Right Scheme.

#### Signpost

The council also undertakes a role to direct stakeholders in the direction of non-council services which can provide services and further assistance.

Currently the council signposts to a range of organisations third parties who may be better placed, and or have a statutory or contractual duty to provide such support. These include:

- **Citizens Advice Bureau,**
- **Advice Portsmouth (through a contract funded by the council),**
- **Roberts Centre,**
- **Age UK,**
- **Shelter,**
- **HM Police,**
- **Hampshire Fire and Rescue Service,**
- **Coroner's Office and**
- **The Land Registry.**
- **The University of Portsmouth**
- **Portsmouth & District Private Landlords Association**

It is vital that the city retains, and possibly expands, the number of external stakeholders who can provide and support to those within the PRS.

This is because each organisation has a different role, with different knowledge, powers and focus which will ensure that

### **Protect, regulate and enforce**

Currently the council has a number of resources working together who have within their remit a role to ensure compliance with the law within the PRS.

These include:

- **Private Sector Housing**

- Compliance of legislation under such acts as the Housing Act 2004 and Public Health. This function is mainly carried out through inspections prompted by complaints to Housing Standards or through routine inspections for licensing of Houses in Multiple Occupation (HMO).

- **Environmental Health and Trading Standards**

- Investigate noise complaints.

- **Safe Clean and Tidy**

- Domestic dumping (fly-tipping) and work with the Waste collection team when domestic rubbish is placed out for early collection.
- Anti-social behaviour within the community.

- **Planning enforcement**

- Investigates breaches in planning legislation to ensure that the development of the city follows the Town and Country Planning Act 1990 and Planning (Listed building and conservation area) Act (1990).
- Building control are responsible for ensuring that building works within the city comply with legislation under the Building Regulations Act 2010 and the Building Act 1984. When a building is reported to them as dangerous they use their legislation to ensure it does not put the public or occupiers at risk.

- **Housing Needs Advice and Support**

- Help people who are homeless, or are at risk of becoming homeless, by assessing each persons need and creating a housing plan. This is in compliance with the Homelessness Reduction Act 2018.

### **Manage private rented property**

#### **Managing properties to meet the needs of those who are homeless**

The council's Rent it Right leasing scheme is able to manage private rented properties on behalf of landlords for between 3 and 5 years. It provides a landlord with an agreed rental income

that is paid quarterly in advance. They can also opt for a full repairing scheme as part of the agreement. The property is handed back to the owner at the end of the agreed leased term in the same

condition as it was rented to the council, minus fair wear and tear. The council manages the property, and the tenancies, with tenants being selected from the housing waiting list.

This service was relaunched in summer of 2019 and currently the leasing scheme only rents properties to tenants who are on the housing waiting list. The properties are not, therefore, for general tenant access.

#### Managing properties due to previous failure of the landlord

If, upon inspection, a property is found to be an unlicensed House in Multiple Occupation (HMO), or if the HMO is not being managed correctly, an Interim Management Order can be served. The council will then manage the property on the owner's behalf until the management of the property is resolved, with all costs being passed to the landlord.

An Empty Dwelling Management Order (EDMO) works in a similar way but is

served on long term empty properties (more than empty for 2 years.) The local authority serve an Interim and Final EDMO on a property and then manage it for 7 years. The tenants are selected from the housing waiting list.

In both circumstances the Council becomes the landlord for these properties through the Housing Act 2004.

### Enabler of Finance

#### Lend rent deposits and guarantees

The council currently provides rent deposits for those on Housing Benefit. Housing Needs Advice and Support will also provide a means tested deposit to help prevent someone from being made homeless.

Discretionary Housing Payments (DHP) is something that a tenant can claim for to help them stay in their rented property or move into new accommodation.

DHP can only be awarded to claimants receiving housing benefit or the housing costs element of Universal Credit, which does not meet the full amount of their eligible rent (housing costs). DHP can also be awarded for a rent deposit or rent in advance scheme for a property that the customer has yet

to move into if they are already entitled to housing benefit or the housing costs element of Universal Credit at their present home.

<https://www.portsmouth.gov.uk/ext/documents-external/ben-rbe-dhp-policy-2018.pdf>

Extended Housing Benefit is a payment for 4 weeks of an existing Housing Benefit agreement that is going to reduce as a result of a change in circumstances to the tenant. This change in circumstance could be an increase in the number of paid working hours. The extended benefit provides the tenant with reassurance that they will still be able to pay their rent whilst their circumstances are changing.

Provide finance to undertake works on properties to make them safe.

The council, through the Private Sector Housing Service, currently provides access to low cost finance for home renovations in a number of circumstances.

- A property may be subject to enforcement and, if the owner does not carry out the works required, the council may look to carry out works in default to ensure that the rented property is safe to use by the tenants.
- If an IMO is in place the council will have to remove all hazards from the property as part of ensuring it is properly managed. Costs incurred will be sought from the owner as part of the IMO.
- The EDMO (which is served on long term empty properties) will require the property to have be safe for use of tenants for 7 years. Therefore the council will carry out all necessary repairs prior to the property being rented

**and will continue this function whilst it is being managed by the local authority.**

- Should someone require a disabled facilities adaptation, so that they can stay in their home, the Housing Renewals team will also ensure that the property is free from any other hazards under the Housing Act 2004. The work schedule that they create will reflect these requirements to make the property safe for the occupier.
- Building Control will assess properties that are considered dilapidated and cause for concern. If they feel that there is an immediate risk to the occupier, and or general public, they will carry out any necessary works to remove this risk. The costs incurred will then be sought from the owner of the property.

### Controller

Determine where HMOs are built.

The decision regarding how many HMO's can be permitted in certain areas of Portsmouth is based on the Portsmouth Plan and PCS20 "houses in multiple occupation (HMOs) ensuring mixed and balanced communities."

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

The policy outcome is to avoid concentrations of HMO's within the city and the planning department are responsible for this determination.

### Determine use of land

The Portsmouth Plan sets out the future development of Portsmouth until 2027. Any changes and developments to Portsmouth will need to be measured against this overarching planning

document to ensure that its aims and objectives are being met.

If Portsmouth City Council owns the land the portfolio holder would



determine the use of it. This would be in conjunction with other departments such as planning to ensure that the land was being put to best use. For example building more houses on Council owned land.

The Town and Country Planning (Brownfield Land Register) Regulations 2017 places responsibility on a local authority to prepare and maintain a register of land for housing developers

to access should they wish to develop in that authority's area.

The purpose of the register is that a developer will know what sites are ready for housing development as the land has already been determined by the Council. This should speed up the construction process as a developer will know what sites they can purchase and build on quickly.

## Section 5: Strategic action plan for Portsmouth City Council

In order to achieve the strategic aims and objectives of this strategy a range of additional actions can be taken by the council. These have been identified and fall into two broad categories:

- **Those which can be pursued under existing approval or delegated authority and have existing resources to enable delivery, or**
- **Those that require additional approval by the council and/or additional resources in order to deliver the action.**

For actions 1-14, council officers can use existing approvals and resources,

to enable the actions to be begin to be pursued immediately.

Officers will be required to bring further, more detailed, reports to councillors for approval before any can be permanently implemented. These will outline costs, timescales, risks, impacts and an operational delivery plan. All of these actions will be reviewed and a more detailed plan for timescales will be established, the aim is that agreed actions within the final strategy will be completed within the five year period. Progress of this will be monitored by the Cabinet Member for Housing & Preventing Homelessness.

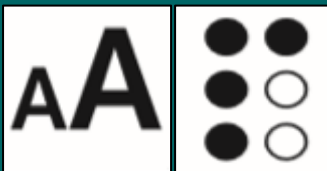
Actions for which permissions and resources exist

Action number	Description	Strategic Objective
1	<b>HMOs:</b> Continue to deal proactively when an unlicensed HMO is reported.	7
2	<b>Training:</b> Ensure that officers responsible for regulating the PRS are trained to a professional standard and capable of meeting the needs of this strategy.	8
3	<b>Communication/information:</b> Provide more information for tenants, such as average market rents across property sizes. Expand on the current website information on what makes a good tenant (including different situations). Investigate with third party stakeholders the feasibility for closer partnership working on a single communications and web strategy.	6
4	<b>Governance:</b> Develop the current HMO governance board into a multi-agency partnership group which oversee this strategy. Review the stakeholders to ensure that all voices are covered. Investigate with third party stakeholders the feasibility for closer partnership working on a single communications and web strategy.	2,6
5	<b>Financial support:</b> Undertake a pilot of the rent deposit and bond scheme.	6
6	<b>Shared services:</b> Work more closely with stakeholders to increase the understanding of the services that could be provided across Portsmouth to support the PRS.	8
7	<b>Council internal processes:</b> Implement the revised supplementary planning document for HMOs. Review all relevant enforcement policies to make them more transparent. Work with other local authorities to find new ideas to support the PRS. Ensure that data sharing, both within the Council and with external partners is maximised, within legislation.	8,9
8	<b>Pilots:</b> Working with stakeholders, approach the MHCLG to look for support in the development and implementation of this strategy, with a particular request to pilot some of the changes identified in actions.	7

Actions requiring more detailed investigation, resources and/or permission

Action number	Description	Strategic Objective
1	<b>Workshops: (A)</b> Work with landlord groups to provide workshops on how to be a good landlord. E.g. how to choose appropriate tenants and carrying out their own HHSRS assessment on their property. <b>(B)</b> Work with tenancy groups to provide workshops on how to be a good tenant, aimed at helping a tenant to maintain a tenancy. Focussing on money management, behaviour & how to work with the landlord.	1,2,4
2	<b>Mediation:</b> Create a mediation service between landlords and tenants to help improve security of tenure. This may include a 'private sector housing court'.	4
3	<b>Financial support for the PRS:</b> Provide loans for good, accredited landlords to improve the quality of their property. Provide low interest loans for those who are eligible to be able to access the private rental sector (the loan will cover the rent deposit and any additional fees required to be paid to enter the Private Rental Sector). Provide bonds to help those who are eligible to gain access to the PRS.	1,3,4,5,
4	<b>Accreditation:</b> Expand the Rent it Right model to help more tenants across the PRS. Working with multi agency partners, develop the council's accreditation scheme to offer benefits to good landlords.	1
5	<b>Additional licencing:</b> Consult on reintroducing additional licencing for HMOs to help in the better management of them and understand how they interact with the local community.	3





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# Private Rental Sector Strategy for Portsmouth 2021-2026 *Part 2 - Supporting Evidence*

To achieve an active and well-functioning Private Rental Sector which works fairly for all.

[Part 2 - Supporting evidence](#)

**Apart from Section 12 (Feedback on consultation of draft PRS strategy), evidence used in Part 2 of the Strategy is based on pre-COVID-19 data & statistics to avoid skewed measures due to the 2020 pandemic.**

**Section 6: Defining the Private Rental Sector and its stakeholders:**

The Private Rental Sector (PRS) is a classification of housing tenure in England. A basic definition of the PRS is privately owned property or properties that are leased to a tenant. Owners or landlords could be an individual, commercial investor or property company. How these properties are managed and maintained can vary, with some tenants dealing directly with an individual landlord/owner, or through a management company or estate agency managing the property on behalf of the landlord.

In general privately rented properties in England can be separated into two categories:

- Market renters: Those who occupy the properties under a tenancy agreement, and pay market rents.
- Non-market renters: Those who do not pay rent. This group may be renting from a relative or occupying accommodation rent-free as part of their employment.

Information on what defines a tenancy, or a licence, within the PRS can be found elsewhere. (HM Government<sup>1</sup>, Shelter<sup>2</sup>).

**Stakeholders**

The PRS has a considerable variety of stakeholders. They can be loosely divided into two separate groupings:

**Main Service Users:**

- Tenants
- Landlords
- Letting Agents (acting as a landlord agent)

**Supplementary Organisations and/or Individuals that may seek assistance or support regulation of the Sector:**

- Local Authority. This strategy only refers to the area of Portsmouth covered by Portsmouth City Council ("the council"). This includes a number of functions including
  - a. Private Sector Housing regulation and enforcement
  - b. Planning
  - c. Adult Social Care,
  - d. Regulatory Services and
  - e. Housing Needs, Advice and Support
- External Agencies such as Hampshire Fire and Rescue Service (HFRS), Hampshire Police, Advice Portsmouth and Portsmouth University
- Third sector organisations who support the main user groups
- Clients who may employ the services of the council
- Members of the public seeking advice other than main service users, such as neighbours or community groups.

## Section 7: National Overview

### Legislation relevant to the Private Rental Sector (in England)

The PRS is regulated by a range of legislation. Listed below are some of the main pieces of legislation with an overview of each piece of legislation.

#### Protection from Eviction Act 1977:

Prohibition on unlawful eviction, harassment and places restrictions on the re-entry/eviction without due process.

#### Landlord and Tenant Act 1985:

Outlines duties to landlords to disclose certain information and repairing obligations within the property.

#### Housing Act 1988:

The Housing Act 1988 introduced the Assured Shorthold Tenancy (AST) ensuring a clearer contractual arrangement between a landlord and tenant.

#### Housing Act 1996 (As amended)

#### Housing Act 2004

The Housing Act 2004 sets out a variety of provisions, including but not limited to, improving housing conditions via the use of the Housing Health and Safety Rating System, sets out the regulation of Houses in Multiple Occupation (HMO) via mandatory and non-mandatory licencing schemes and sets out powers for addressing empty properties.

Licensing of Houses in Multiple Occupation (Prescribed Descriptions) (England) Order 2018: Designates HMOs subject to mandatory licensing.

Licensing and Management of Houses in Multiple Occupation and other houses (Miscellaneous Provisions) (England) Regulations 2018:

Prescribed minimum national standards for licensable houses in multiple occupation.

Management of Houses in Multiple Occupation (England) Regulations 2006:

Places a duty of the manager to address and take responsibility of certain areas of an HMO including the provision of information to occupiers, taking safety precautions, maintaining water supply and drainage and gas and electricity, managing common parts of the property, providing waste disposal facilities and maintaining living accommodation.

Right to Rent, immigration Act 2014

Places a duty on landlords to check that their tenants are not illegal immigrants. Since 1<sup>st</sup> December 2016, landlords or agents in England could be charged with a criminal offence if they know, or have reasonable cause to believe, that they are letting to an illegal migrant.

### Retaliatory Eviction and the Deregulation Act 2015

Provisions under the Deregulation Act 2015 provide increased protection to tenants who have been unfairly served Section 21 Eviction Notices following genuine complaints about the condition of the property or dwelling they are occupying. The Act ensures landlords have to comply with certain legal responsibilities before a Section 21 Notice can be served.

### Housing and Planning Act 2016

Sets out powers that allow Local Authorities to set up a database of and investigate and ban Rogue Landlords and Property Agents, impose civil penalties for a range of offences under the Housing Act 2004, assist tenants in applying for Rent Repayment Orders. Other provisions under the Act include starter homes, right to buy schemes in relation to Social Housing and changes to the National Mandatory

### Homes (fit for human habitation) Act 2018

Introduced on 20<sup>th</sup> March for all new tenancies that started from this date, and it will apply retrospectively to all current tenancies from 20<sup>th</sup> March 2020 regardless of when the tenancy started. This legislation ensures that rented houses and flats are 'fit for human habitation', which means that they are safe, healthy and free from things that could cause serious harm. If rented properties are not 'fit for human habitation', tenants can take their landlords to court. The court can make the landlord carry out repairs or put right health and safety problems. The court can also make the landlord pay compensation to the tenant. This legislation applies to all rental properties, both PRS and social housing.

Homelessness Reduction Act 2017 (HRA17), the council owes a duty to assist any household (that have a 'Right to Reside' in the UK and have recourse to public funds) that is eligible for assistance if they are at risk of homelessness within 8 weeks following the relevant interaction with the council. However, there is no duty to provide any specific forms of financial assistance, such as paying for a tenancy deposit or acting as guarantor.

### Minimum Level of Energy Efficiency' standard (EPC band E) 2018

Sets out a minimum energy efficiency standard for (EPC rating E) for all domestic private rented properties. It replaces a responsibility on landlords for any properties that do not meet this minimum energy rating to pay up to £3,500 for measures to improve the energy efficiency rating of the property.

Tenant Fees Act 2019: landlords and letting agencies are prohibited from charging fees for securing or renewing a tenancy. However they can still charge a refundable holding fee of up to one week's rent, a tenancy deposit of up to five weeks' rent, and charge rent in advance.

### Energy Performance of Building Regulations

Duty to landlord to hold/commission an Energy Performance Certificate (EPC) before marketing a property for rent. Duty to make the EPC available to prospective tenant and provide copy EPC to tenant. Providing EPC information along with written particulars of the property.

### The Electrical safety standards in private rented sector (England) Regulations 2020

Require pre-tenancy and five yearly checks of all fixed appliances and wiring. This will be mandatory for landlords for all new tenancies from July 1 2020, and will be rolled out to all existing tenancies from April 2021. Landlords failing to comply with the new rules will face fines of up to £30,000.

### **Regulation of the PRS in England**

The Ministry of Housing, Communities and Local Government (MHCLG) is the creator of the national housing strategy and legislation in England. Their function is to “create great places to live and work, and to give more power to local people to shape what happens in their area”. (MHCLG<sup>3</sup>). They do this by:

- driving up housing supply
- increasing home ownership
- devolving powers and budgets to boost local growth in England
- supporting strong communities with excellent public services

MHCLG has developed a Single Departmental Plan (SDP) setting out their objectives and how they intend to meet them over the coming years. This was last updated in June 2019 and sets the following objectives relevant to the PRS (all of which were set before the COVID-19 crisis of 2020):

1. Deliver the homes the country needs  
*By supporting the delivery of a million new homes by the end of 2020 and half a million more by the end of 2022.*
2. Make the vision of a place you call home a reality  
*By supporting vulnerable people via the Rough Sleeping Strategy and implementation of the Homeless Reduction Act. Making the housing market fairer by introducing reforms to the private rented sector and introducing the outcomes of the Social Housing Green Paper*
3. Support local government to deliver high quality services with sustainable finances  
*By delivering a sustainable long-term funding settlement for local government beyond 2019-20 and developing good practice across local government to raise standards and performance.*
4. Create strong communities, socially, economically and a sense of place  
*By delivery of the commitments in the Integrated Communities Strategy and Action Plan*
5. Secure effective support for those affected by the Grenfell Tower disaster, delivering the changes this tragedy demands and ensuring people are safe and feel safe within their homes  
*By engaging with the community and offering support following the tragedy and meeting commitments to permanently house residents. Overseeing a response to high-rise buildings that have unsafe ACM cladding.*



The vast majority of legislation places the responsibility to deliver the regulation upon local authorities and, unlike the social sector, there is no separate regulator for the PRS. Therefore the council becomes the main enforcement body for legislation related to the PRS in Portsmouth.

### **Key national issues affecting the PRS 2021-2026**

#### Impacts of the COVID-19 crisis

At the time of publishing this document England was still within the heart of the pandemic, with lockdowns at a national and local level still in place. A ban on evictions offers temporary support for renters but may not last beyond 2021. The market is uncertain, with many renters likely to have their income effected, either on a short-term or long-term basis, which in turn may impact upon the ability to pay rent and the market levels for rent. Uncertainty about the number of students who will be present in the city in the short/medium term, and the need for more people to work from home, are also likely to affect the PRS in Portsmouth.

#### Impacts of the United Kingdom leaving the European Union

The short and long term impacts that the UK leaving the European Union will have on EU citizens who rent in the PRS is unclear. More information is required from MHCLG regarding "Right to Rent" rules to ensure that landlords and tenants continue to know their responsibilities in the PRS.

#### Fire Safety:

In the wake of the Grenfell tragedy in June 2017, an addendum to the fire hazard within the Health and Safety Rating System (HHSRS) Operating Guidance in November 2018 was introduced to specifically address cladding systems on high rise residential buildings.

#### Homelessness:

Local authorities continue to develop how they implement the changes brought about by the Homelessness Reduction Act 2017. Further funding and guidance has been developed as a result of the impact on rough sleeping caused by the 2020 COVID-19 pandemic.

#### Housing demand

Demand for all tenures of housing continues to outstrip supply. Well designed and planned regeneration projects are required to ensure an increase of dwellings available.

#### Improving standards through appropriate legislation

The Housing and Planning Act 2016 delivers increased regulation of landlords and agents. The goal to continuously strive to improve and maintain the way in which the sector is managed and maintained for all those facilitating and using it.

#### Housing Health and Safety Rating System (HHSRS)

Following feedback from landlords, tenants and local authorities, MHCLG has also announced a comprehensive review and overhaul of the HHSRS used by local authorities to assess a range of potential hazards in rented properties. The intention is to make it simpler and quicker for local authorities to assess health and safety



standards in rented homes, helping them to improve conditions for tenants and better tackle rogue landlords.

### Houses in Multiple Occupation (HMOs)

A high concentration of shared homes can sometimes cause problems, especially if too many properties in one area are let to short term tenants with little stake in the local community. So changes to legislation have given local authorities the freedom to choose areas where landlords must submit a planning application to rent their properties to unrelated tenants (i.e. houses in multiple occupation). This was designed to enable high concentrations of HMOs to be controlled where local authorities decide there is a problem, but prevent landlords across the country being driven from the rental market by high costs and red tape.

### Future direction for the PRS

HM Government, on 19<sup>th</sup> December 2019, set out their agenda for the next parliamentary session which included some proposals related to the housing sector (HM Government<sup>4</sup>).

- Abolishing the use of ‘no fault’ evictions by removing section 21 of the Housing Act 1988 and reforming the grounds for possession.
- Giving landlords more rights to gain possession of their property through the courts where there is a legitimate need for them to do so by reforming current legislation.
- Introducing a new lifetime deposit for tenants
- Expand the scope of the database of rogue landlords and property agents. Giving greater powers to drive improvements in standards, and empowering tenants to make an informed choice about who they rent from.
- Building at least a million more homes over this Parliament, making the planning process clearer, more accessible and more certain for all users, including homeowners and small businesses.
- Commitment to end rough sleeping by the end of this Parliament.

At the time of publication, it is unclear what legislation will be brought forward and on what timescale. However it appears that Government is focusing on making improvements to the PRS, with a view to making it a more secure and accessible tenure for tenants, and to make it more simplified for housing providers/ landlords.

### What does the PRS look like in England?

#### Size

In 2018-19, there were an estimated 23.5 million households in England of which 15.0 million (64%) were owner occupiers. The private rented sector accounted for 4.6 million (19%) of households. Throughout the 1980s and 1990s, the proportion of private rented households was steady at around 10%. While the sector has doubled in size since 2002, the rate has hovered around 19/20% since 2013-14.

The social rented sector, at 4.0 million households (17%), remained the smallest tenure, following a long downward trend which has stabilised over the last decade or so. However, the composition of the social rented sector has changed in recent years. In 2008-09, the social rented sector accounted for 18% of households with 2.0 million (9%) renting from housing associations and 1.9 million (9%) renting from local authorities. In 2018-19, 2.4 million (10%) rented from housing associations, 1.6 million (7%) from local authorities. (MHCLG<sup>5</sup>)

In 2010/11 68% of new households were private renters, and 14% were owner occupiers; In 2016/17, the proportion of new households becoming renters had dropped back to 51%, and new owner occupiers risen to 26%. (Rugg, J & Rhodes, D.<sup>6</sup>) This change probably reflects the impact of the financial crash in 2008 on new mortgages for first time buyers.

Home ownership for first time buyers was at its peak in 1986 and declined in 2008. It has slowly been recovering and this is partly attributed to government-led schemes such as the Help to Buy equity loan (which 80% of first time buyers took advantage of from 2013 - 2017), shared ownership and Right to Buy Schemes.

The national average age of first time buyers has increased from 26 years old to 30 years old from 1976 - 2016. This is likely as a result of the problems that many people face of being able to raise enough funds for a deposit to apply for a mortgage. (Rugg, J & Rhodes, D.<sup>6</sup>)

### Standards

Before the introduction of the Homes (Fitness for human habitation) Act 2018 there was no minimum standard for property deemed suitable for letting. However, from March 2020 this new legislation will introduce a new requirement for all tenancies (current periodic tenancies) to be fit for human habitation at the start of and throughout the tenancy period. In addition the local authority can enforce compliance with the Housing Act 2004 if a property is inspected and found to have deficiencies that has the potential to cause harm. Property quality is assessed according to the Housing, Health and Safety Rating Standard (HHSRS), which is a complex, risk-related assessment.

The decent homes standard, as defined by MHCLG and last updated in 2006, sets out requirements that properties should be free from serious hazards, and have amenities such as kitchen and bathroom that meet modern standards, be in a reasonable state of repair and thermal comfort. The PRS had the highest proportion of non-decent homes with 36% of properties at the lowest quintile of rent are non-decent. 25% of homes in the private rented sector did not meet the decent homes standard. This compares with 19% of owner occupied, and 13% of socially rented homes. 14% of privately rented homes had at least one Category 1 hazard, compared with 11% of owner occupied homes, and 6% of those in the social rented sector. (MHCLG<sup>5,7</sup>)

The standard of the property has also been shown to drop as the length of tenancy increases, with 42% of households renting in the same property for more than ten years shown to be classified as non-decent accommodation, compared to 25% of households where the tenancy was one year or less. (Rugg, J & Rhodes, D.<sup>6</sup>)

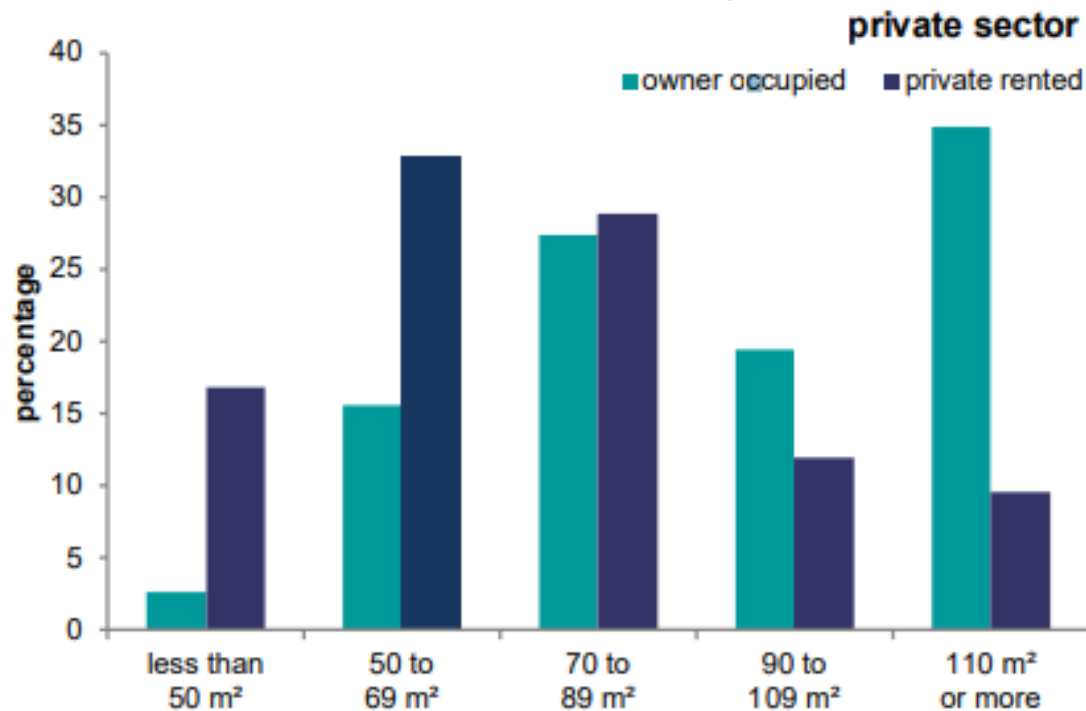
The Landlords Statutory Repairing Covenants are legal obligations which are imposed on all landlords of residential rented properties where there is a term of less than seven years. The landlord is responsible for keeping in repair:

- the structure and exterior of the property; and
- the installations for the supply of water, gas, electricity, sanitation, space heating and heating water

### Size standards

There is no nationally prescribed space standards for existing properties. However the sizes of properties in the PRS differs from owner occupiers, and more closely resembles the social housing sector.





Useable floor area by tenure 2018 (MHCLG<sup>5</sup>)

### **Reasons for leaving PRS**

Of those who had lived in their current PRS property for less than three years, 72% moved because they wanted to, for reasons such as work job (18%), location (16%) and larger home (13%). For the remaining 28% who didn't move by choice reasons included forced by landlord (12%), mutual agreement (10%), and end of a fixed term tenancy (8%). (MHCLG<sup>5</sup>)

### **Projected Changes**

The private rented sector is growing as a proportion of the UK's housing stock, with greater numbers of people forced to rely on it as house prices rise and social housing declines. It is expected to account for more than a third of the UK's housing stock by 2032. (Bentley, 2015)

### **Change in landlords**

Data indicates that there are an estimated 2.3m adults in England who are private landlords in some form and 9% of landlords are themselves private tenants. (Rugg, J & Rhodes, D.<sup>6</sup>)

PRS landlords can be a range of different people/organizations. In 2018, half of landlords owned only one property for rent, whilst 17% owned five or more properties. However these larger landlords accounted for nearly 48% of the sector.

The reasons for providing private rental housing are varied, with the main reason landlords seeing it as an investment. From a tenant's point of view it provides flexible accommodation with predictable monthly costs where they will not need to pay large unexpected repair bills. However market rents are usually much higher than social or affordable rents.

### **Rental levels**

Rental levels in the private sector market vary across the country. The median

monthly rent recorded between 1<sup>st</sup> April 2018 and 31 March 2019 in England was £695. (Valuation Office<sup>8</sup>) with rent inflation of 1.3% in the 12 months to September 2019 (ONS)

Savings and disposable income

63% of private renters report having no savings and Shelter have found that due to the rental levels of the private rental sectors, sacrifices are made in other areas to enable private renters to afford the rent. (Shelter, n.d.<sup>9</sup>)

## Case studies in the PRS - Greater Manchester

Greater Manchester is a combined authority of ten metropolitan boroughs and an estimated population of approximately 2.7million that had its first elected mayor in 2017. Although Manchester and Portsmouth are different in some respects both have higher deprivation levels than the national average, and lower household incomes levels. Both unitary authorities also experience high demand for affordable housing. Therefore it can be expected that the views of landlords and tenants may be similar in both areas.

Greater Manchester have worked with Shelter and Nationwide Foundation to carry out a study to establish "an informed understanding of the private rented sector in Greater Manchester".

They started by defining those vulnerable in the PRS as households at greater risk of harm for reasons that include, and in some instances combine, economic status and income, age, health and household demographic characteristics. The report considers households to be vulnerable in the PRS if they fall into one of the six vulnerable categories and experience at least one of the three measurable harms. (Rhodes, D and Rugg, J<sup>10</sup>)

### PRS vulnerability characteristics

- Households with dependent children: primarily with younger families (a child or children under 5 years old). Households with pre-primary school aged children have higher costs in terms of childcare.
- Disability and long-term sickness: Physical and mental health problems which cause the tenant or a member of the household to be unable to work. Definitions from the Equality Act should be considered.
- Older age: Older households are often reliant on a fixed pension income and may struggle to cover any shortfall in housing benefit for rental costs. Poor property conditions can also carry severe health consequences and risks such as trips or falls associated with disrepair.
- Households in receipt of means tested benefits: Increased risk of homelessness due to reliance on benefits to cover rent payments, essential outgoings and the shortfall in rent and council tax.
- Low-income, non-means tested benefit or tax credit dependent: Individuals cycling between work and welfare. There is increased risk of rent arrears and debt due to delays in Universal Credit and low income/zero-hour contracts. This group has the same risks as the previous group with an added risk of debt.
- Recent migrants: PRS is the most accessible type of tenure for migrants but includes obstacles including; language barriers, inability to provide deposits, references and/or guarantors and the risk of renting poor quality PRS accommodation with overcrowding and unsanitary conditions also being a factor.

### Quantifying harms

- Not meeting the bedroom standard i.e. overcrowding
- Property standards – the quality of properties and the lack of options for lower income households

- After Housing Costs (AHC) poverty – the biggest problem for vulnerable households

The study found that tenants and landlords often want the same things from the PRS (Shelter<sup>11</sup>)

Tenants experiencing vulnerabilities want...

- A home (not just a house) where they can feel safe and secure, in a good area, with a good, attentive and communicative landlord that would keep them in the property long term.
- More control and choice when renting a property, not having to settle for poor quality accommodation or rogue landlords.
- More / improved regulation for landlords and letting agents.
- A fairer process that encompasses all involved - tenants, landlords and letting agents, to eliminate the rogues, including 'bad tenants'

Landlords want....

- A good tenant, who will pay rent on time, respect the property, turn it into a home (not just a house) and stay long term.
- More support and regulation when dealing with issues and challenges caused by 'bad tenants', mainly rent arrears and damages to property.
- More regulation of landlords and letting agents to eliminate the rogues.
- More information and support as they enter and navigate PRS.





## **Section 8: Local Overview**

### **Local policy**

As stated in section 2, The Housing Act 2004 provides a local authority with legislation to ensure that housing stock, in their district, meets a suitable standard of safety using the Housing Health and Safety Rating System (HHSRS). This legislation comes with enforcement powers to ensure compliance.

Portsmouth City Council (the council) principally meets this duty through its Private Sector Housing service. This service undertakes a number of functions and provides a number of services, with the following of relevance to the PRS.

- Renewals and provision of grants to help in home adaptations.
- Licencing of HMOs
- Financial assistance policy
- Oversight of the housing market
- Supporting tenants through work on retaliatory evictions and redress schemes
- Enforce the relevant changes in legalisation on standards
- Support and education for landlords through an accreditation scheme

More details on these functions and how they are provided is available in section 9 of this strategy.

However what the council has not produced until now is a comprehensive set of data and information upon which strategic guidance can be made about the whole of the PRS. This document aims to create that strategy.

### **Case study - Licencing of Private Rental Sector properties**

Legislation allows for local authorities to operate a licencing scheme for rental properties in certain circumstances. The details of the specific licencing scheme are within the relevant legislation. However the operation of a licencing scheme is similar in the following regards.

When a licence application is received it is checked to ensure all relevant documentation are included. Once this happens a confirmation letter is sent to the applicant, along with confirmation of the requirement for a verification inspection. Verification inspection (Part 2 of The Housing Act 2004) are carried out when information within the application need to be confirmed by the issuing authority, and is not necessary for all licenses issued. The result of this inspection could be that special conditions are added to the license.

When a draft licence is issued by the officer the applicant has 21 days to respond to the conditions within the licence and if no representations are made then a full licence will be issued. An example of a representation may be if there is disagreement on the communal space standards.

A licence is usually issued for a maximum of 5 years, although may be shorter if the property is not suitable for the number of occupants that currently live there. The licence time period would allow the landlord time to lower the number of occupants living in the property.

Every licensed property will have a Housing Health Safety Rating System (HHSRS) inspection during the period of the licence. This inspection is an assessment of 29



potential hazards and looks for deficiencies with the property. If deficiencies are found then remedial works are required.

The licence holder must comply with the conditions of the licence and two examples of conditions are:

- 1. The licence holder must comply with any waste management scheme, introduced by the local housing authority in respect of the storage and disposal of the household waste from the property pending collection.**

If a property was not complying with the waste management scheme we would look at the information/guidance that had been provided to the tenants by the landlord. If the landlord was doing all they could to ensure compliance we would look at ways to work with them rather than take enforcement action when a landlord is doing all they can to get their tenants to comply. If no information/guidance has been provided and the landlord is not communicating with their tenants regarding the waste disposal then we would look at a different approach. All cases would be looked at individually.

- 2. The licence holder will work pro-actively and responsibly with all enforcement agencies in response to anti-social behaviour caused by tenants within the curtilage of the property and take all reasonable steps to prevent anti-social behaviour from within the boundaries of the property.**

We would expect the licence holder to work with us if there were reports of anti-social behaviour within the property. This could include attending meetings with their tenants and agencies or speaking to their tenants directly about their behaviour. All cases would be looked at individually.

### **Mandatory Licensing of Houses in Multiple Occupation**

Mandatory licensing was introduced in 2006 which required certain large Houses in Multiple Occupation (HMO) to be licensed. This originally applied to properties with 5 or more unrelated tenants (forming 2 or more households) over 3 storeys. The definition of a mandatory licensable HMO was extended by new legislation introduced in 2018, to include smaller HMOs. Since 1 October 2018 all HMOs with 5 or more occupiers (forming in 2 or more households), regardless of the number of storeys, require a mandatory license.

The position in relation to flats is rather more complex. Mandatory licensing does not apply to a purpose-built flat in a block with 3 or more self-contained flats. Most flats within large purpose-built blocks (such as those built specifically as student accommodation) will therefore fall outside of the scope of mandatory licensing provided there are 3 or more flats in the block. However, purpose-built flats in smaller blocks with up to 2 self-contained flats will fall within mandatory licensing if the occupancy and household requirements are satisfied.

### **Additional Licensing of Houses in Multiple Occupation**

In 2013, the council brought in an additional licensing scheme for all HMOs with three or more occupants to be licensed in postcode areas PO1, PO4 & PO5 (the areas of the city with the highest concentrations of HMOs at the time).

Such a scheme could only be introduced for a maximum period of 5 years and evidence had to show a need for additional controls over HMOs locally, and that suitable alternative options had been explored. Consultation with local landlords, tenants & residents was required as part of this process.

Any renewal of additional licensing required evidence that it had failed to deal with the problem that led to its introduction in the first place. No such evidence existed, therefore the scheme ceased in August 2018.

Currently only HMOs with three or four tenants do not require a license; any potential re-introduction of additional licensing would therefore focus on the licensing of some or all of those properties not currently covered by mandatory HMO licensing criteria.

### **Planning permission for Houses in Multiple Occupation**

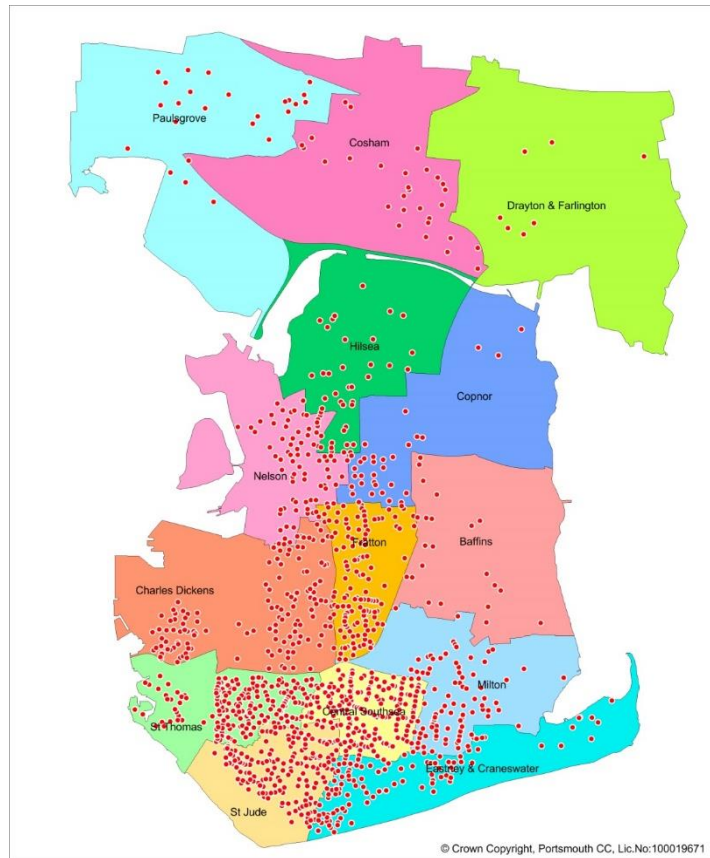
Since 2011 all HMOs in Portsmouth have required planning permission in order to change the use of a Class C3 (dwelling house) to a Class C4 (HMO) where between three and six unrelated people share a kitchen and/or a bathroom.

Planning applications for new HMO's in the city are guided by Policy PCS20 of the Portsmouth Plan. The new Portsmouth plan which is currently in draft form will include a policy position on HMO's to replace policy PCS20.

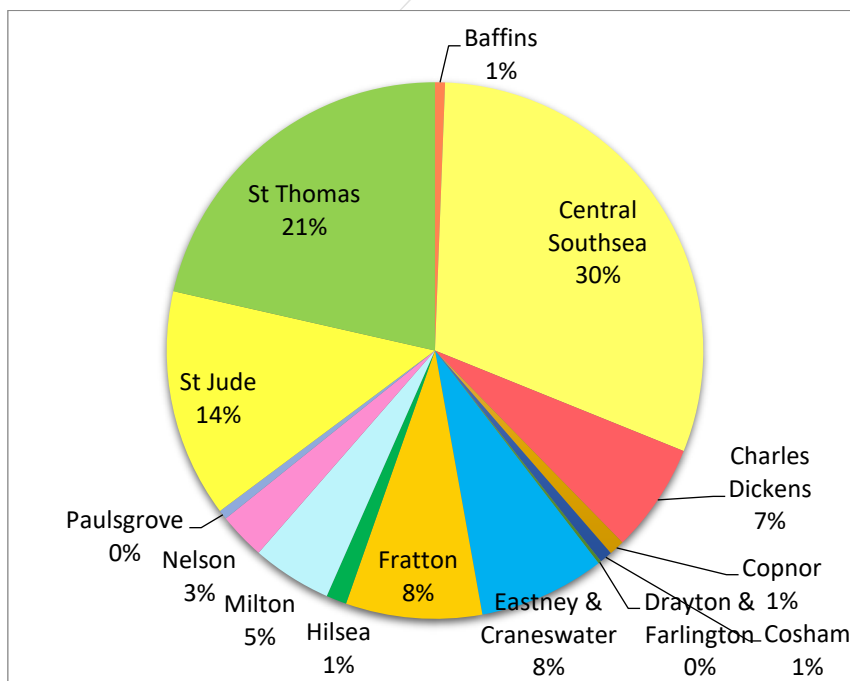
The council also has a published HMO supplementary Planning Document which provides further guidance for new HMO's.

### **Location of Houses in Multiple Occupation in the City**

The exact number of HMOs in the city (all those occupied by 3 or more people forming more than 1 household) is unknown as there is no mandatory duty for HMO owners to register their properties with the local authorities aside from mandatory licensing for those occupied by 5 or more people, or those properties that have been converted from a family home to a HMO since 2011 and have therefore required planning permission. However, according to the council there are estimated to be 4,471 HMOs across the city. The following maps shows their approximately location.

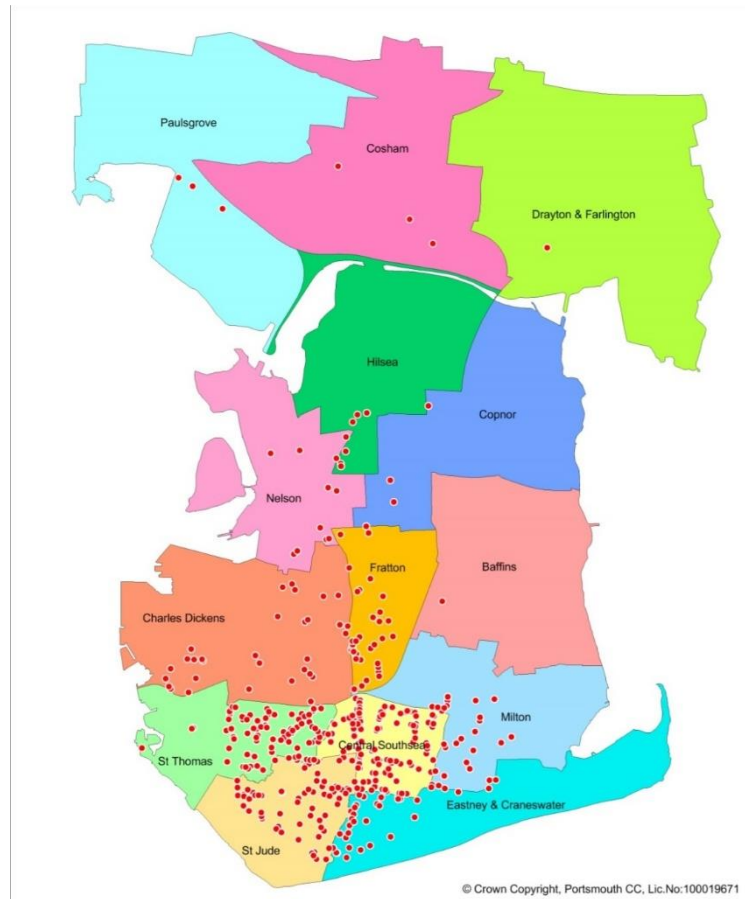


The majority of HMOs are believed to be located in the wards of Central Southsea, St Thomas and St Jude respectively.

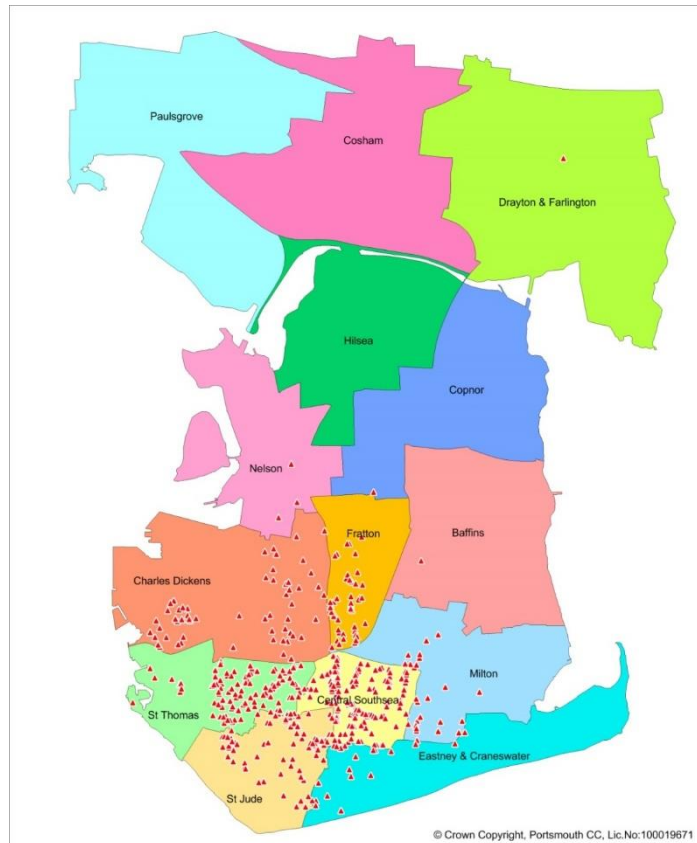


Data regarding the number of licensable HMOs in the city (those occupied by 5 or more people forming more than 1 household) is reliable as the owners or managers do have a mandatory duty to register them with the local authority.

At the start of 2020 there are 1,224 licensed HMOs in the city, the location of which are shown on the following map.



There are 1,579 properties registered with the council as occupied entirely by students (Class N council tax exemption). The location of these student occupied properties are shown on the following map.

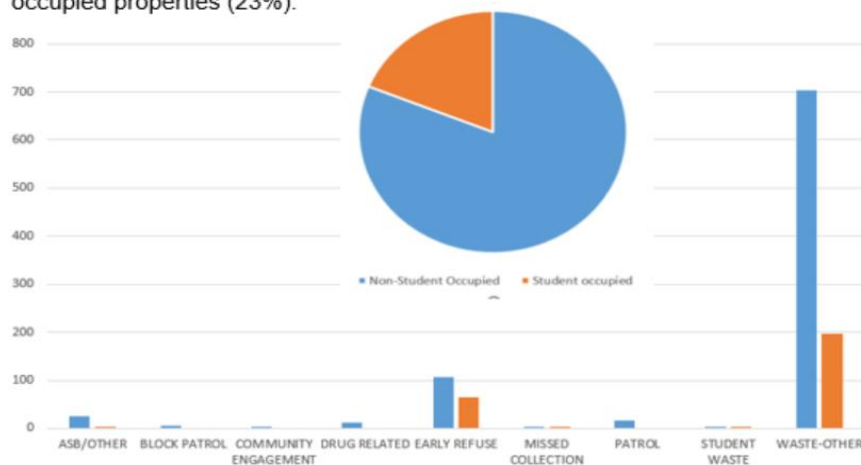


Whilst the spread of all HMOs in the city can be seen in all wards, the majority are concentrated in the south of the city, and those occupied by 5 or more people, or entirely student occupied are largely located in Central Southsea, St Thomas and St Jude wards, with few located in the northern wards of the city.

### Impacts of HMOs in the City

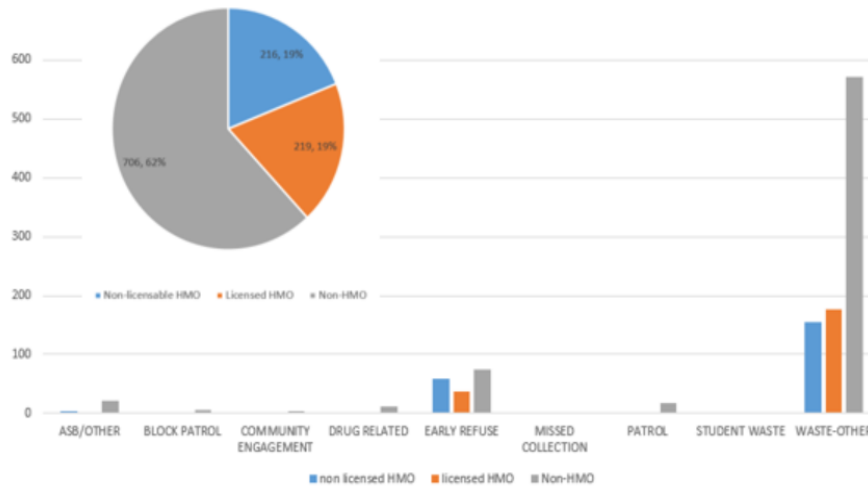
## Waste issues related to student occupied properties

Of the 1141 complaints received, 265 of these were regarding to student occupied properties (23%).



## Waste issues related to Licensed HMO

Of the 1141 demands they received 219 were regarding licenced HMO properties (19%) and 216 were regarding non licensable HMO properties (19%).



Although HMO's are only a small proportion of properties in Portsmouth (approximately 5% of the overall tenure of the city), the council's waste team receive 38% of their demand from these properties. Although student occupied properties account for only 1.7% of the overall occupancy of the city, they account for 23% of waste demand calls.

## Noise Complaints

	2017	2018	2019	Total
<b>No. of Complaints</b>	2141	2256	2129	6526
<b>No. of Properties complained about</b>	1653	1733	1583	4969

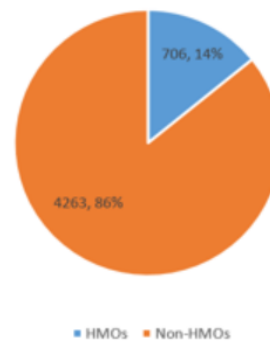
### Noise Complaints regarding HMOs

	2017	2018	2019	Total
<b>No. of Complaints</b>	288	341	299	928
<b>No. of Properties complained about</b>	227	256	223	706

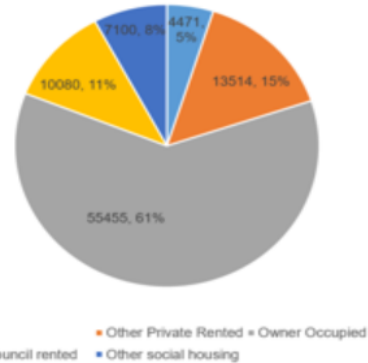
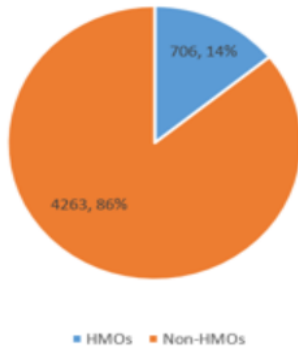
### Noise Complaints regarding Non-HMOs

	2017	2018	2019	Total
<b>No. of Complaints</b>	1853	1915	1830	5598
<b>No. of Properties complained about</b>	1426	1477	1380	4263

Tenure of properties with noise complaints in last 3 years



## Noise Complaints – Proportionality of HMOs



Complaints received by the council's noise team related to HMOs was relatively small, at only 706 out of 6,526 complaints received over a 3 year period. However when considering that HMOs make up only 5% of the properties in the city, but are generating 14% of the noise complaints, this is disproportionately high.

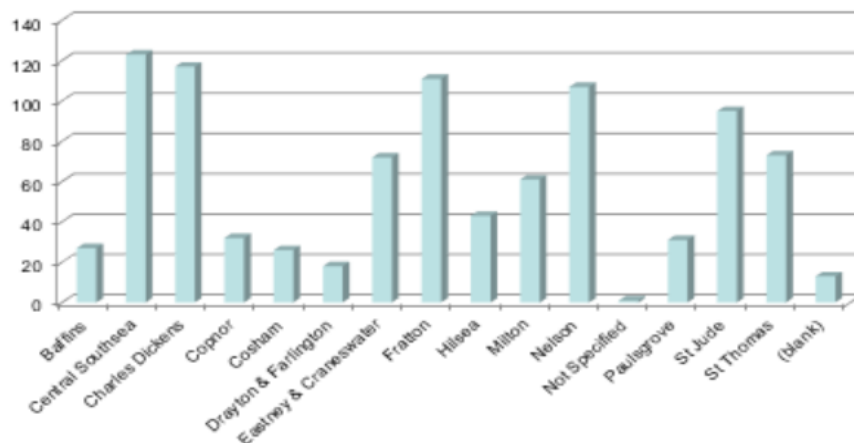
### Private Sector Housing team

The Private Sector Housing Team deal with complaints regarding disrepair to properties, waste problems in forecourts, problems with the property related to pests, and whether properties should be licensed HMOs or not. The following data provides an overview of the complaints received over a 12 month period.

## Complaints in the City

All properties other than licensed HMOs  
 last 12 months

Ward	Complaints
Baffins	27
Central Southsea	123
Charles Dickens	117
Copnor	32
Cosham	28
Drayton & Farlington	18
Eastney & Craneswater	72
Fratton	111
Hilsea	43
Milton	61
Nelson	107
Not Specified	1
Paulsgrove	31
St Jude	95
St Thomas	73
(blank)	13
<b>Total</b>	<b>950</b>

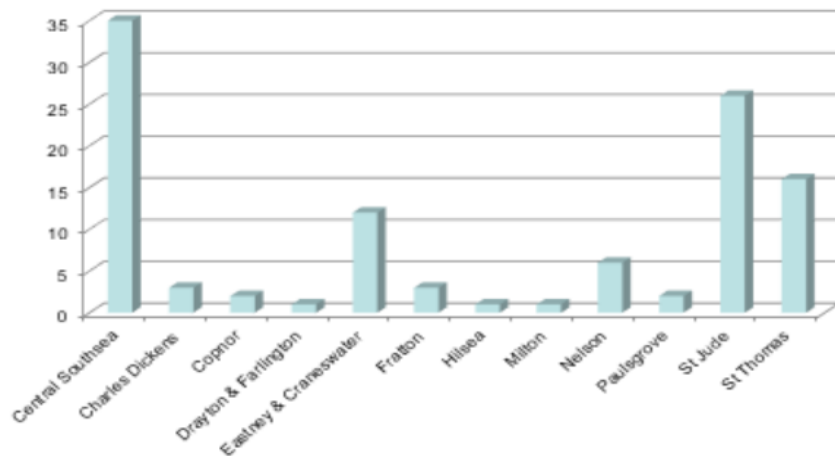


The number of complaints received regarding all properties other than licensed HMOs was 950 over a 12 month period. The highest numbers of complaints came from the Central Southsea, Charles Dickens, Fratton and Nelson wards.

## Complaints in the City

All licensed HMOs  
 last 12 months

Ward	Complaints
Central Southsea	35
Charles Dickens	3
Copnor	2
Drayton & Farlington	1
Eastney & Craneswater	12
Fratton	3
Hilsea	1
Milton	1
Nelson	6
Paulsgrove	2
St Jude	26
St Thomas	16
<b>Total</b>	<b>108</b>

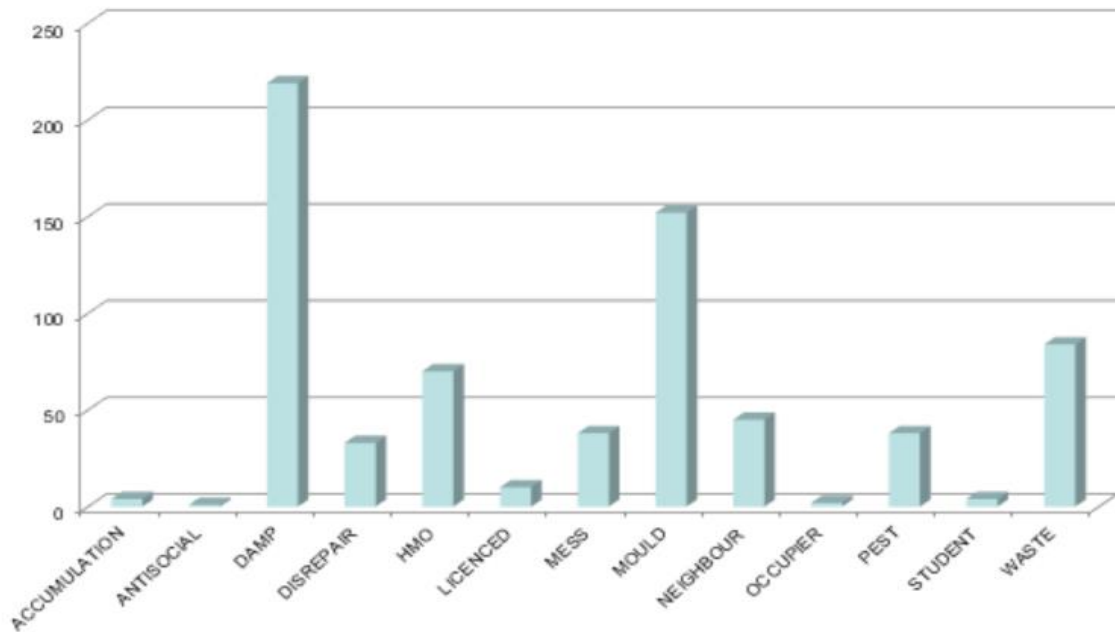


The number of complaints received regarding licensed HMOs was 108 over the same 12 month period. The highest numbers of complaints came from the Central Southsea, St Jude and St Thomas wards.



# Complaints to Private Sector Housing

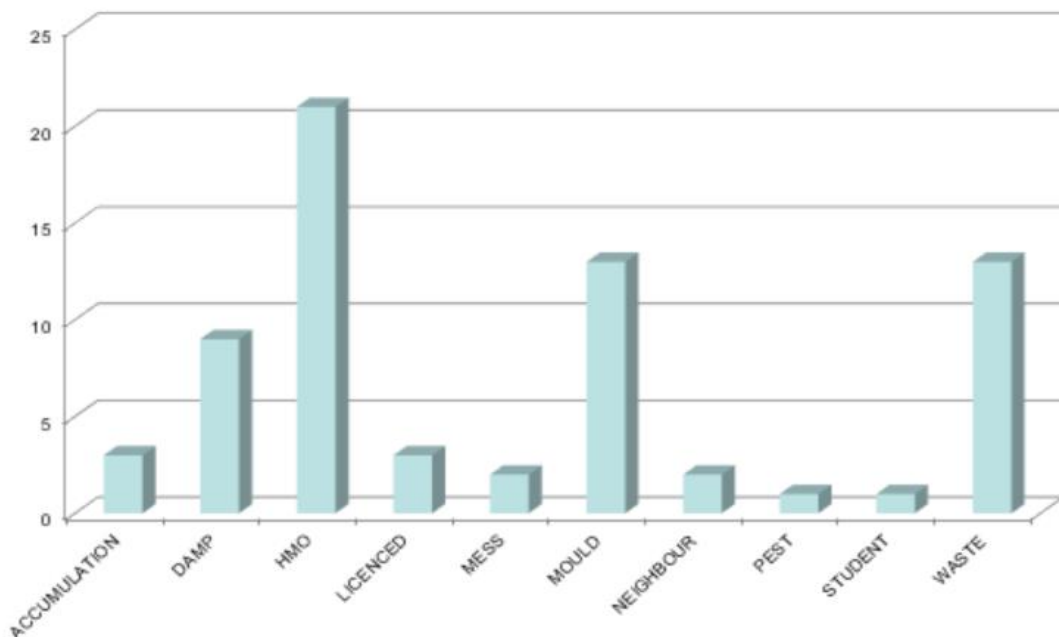
All properties (Including HMOs)



For all property (HMO and non-HMO) complaints received the majority of complaints received were regarding damp, mould, and waste.

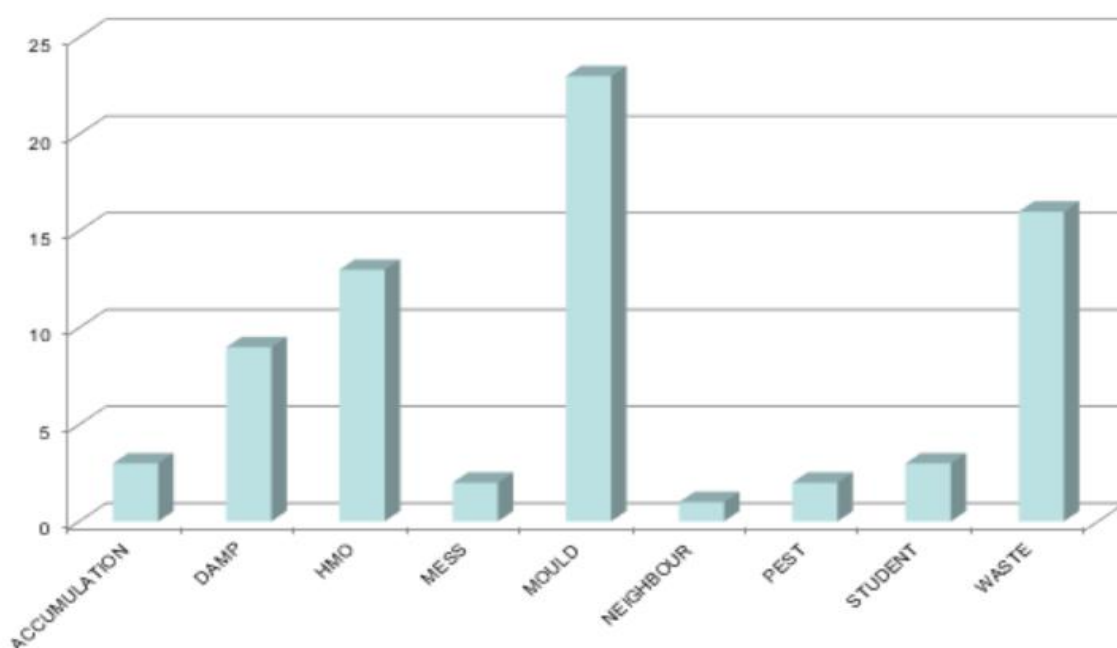
# Complaints to Private Sector Housing

Licensed HMOs



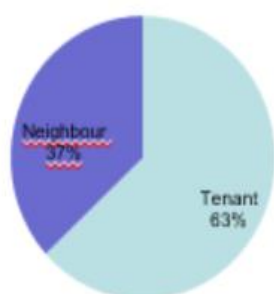
# Complaints to Private Sector Housing

Student Occupied



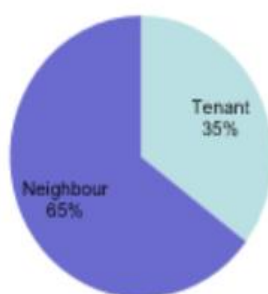
For student occupied properties the majority of complaints were regarding mould and waste, as well as the fact that they were a HMO.

**All Complaints**



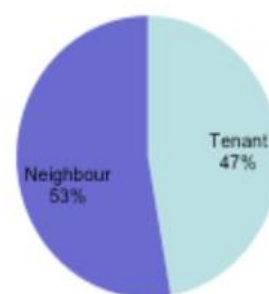
Tenant	442
Neighbour	258
<b>Total</b>	<b>700</b>

**Licensed HMOs**



Tenant	24
Neighbour	44
<b>Total</b>	<b>68</b>

**Student HMOs**



Tenant	34
Neighbour	38
<b>Total</b>	<b>72</b>

Who makes the complaints differs depending on the type of property. For all complaints received 63% of the complaints are made by the tenant of the property. For licensed HMOs and student occupied properties however, more complaints are received by neighbours of the properties than the actual occupants which indicates that the impacts of them on their surrounding environment is higher.

## **Selective Licencing - licencing of ALL properties within the Private Rental Sector**

The legislation does exist for the council to require any type of private rental property to be licenced, although to do this across the entire city would need approval from the Secretary of State for MHCLG. As of January 2019 only four councils in England have done this across all wards and was usually done because of an acute and identified problem. A further 40 did it in specific geographical areas, 31 of which did it in an area which covered less than 20% of their geographic area or less than 20% of their total PRS.

Introducing such a scheme in Portsmouth would need to be justifiable, not only to landlords, but also tenants and neighbours and currently the data to do so is not clear. However the identified risks, such as increasing costs (which may be passed on to tenants) and landlords leaving the sector are known. More importantly the council would be introducing a licencing scheme into a sector where there is no evidence of significant levels of failure i.e. the vast majority of properties are not complained about, either by tenants or by neighbours. Only in relation to HMOs are a higher proportion of properties causing such problems.

### **Landlord Accreditation**

Originally introduced in 2010 the council's Landlord Accreditation Scheme, but now called the Rent It Right aimed to improve the physical and management standards in the private rented sector by providing encouragement, support and incentives to accredited landlords. At a national level the benefits of accreditation are well understood

- longer and often renewed tenancies
- higher property standards
- increased tenant satisfaction, and
- a reduction of disputes which significantly lowers cost for all

(Shelter<sup>12</sup>),

The scheme was voluntary that landlords could join for a nominal fee (it is currently free to join) and have access to support and information including their responsibilities, best practice, and changes in legislation. Landlords received a free inspection of their properties to provide tailored advice regarding any deficiencies in their properties, and for HMO properties, members of the scheme receive a discount on mandatory licensing fees.

The scheme currently has 278 landlord members. A relaunched website allows landlords to advertise their accredited properties, and for prospective tenants to view these with the assurance that the landlord is accredited by the local authority.

The PRS Strategy consultation suggests that accreditation could be linked to national (National Residential Landlords Association) or local (Portsmouth & District Private Landlord's Association) structures, which are already well established.

### **Key issues**

#### **Regeneration of the city**

The MHCLG provide each local authority with a number of houses that they need to build over a 20 year period. The current projection is from 2016 to 2036 and

Portsmouth is expected to deliver 17,340 properties during this time. This equates to 867 properties per year.

Hampshire County Council monitor our progress for meeting this target and provide the figures to the City Council every year. The City Council provides this information to central government informing its performance monitoring through the Housing Delivery Test. PCC is currently meeting its Housing Delivery Test requirement largely down to provision of student accommodation.

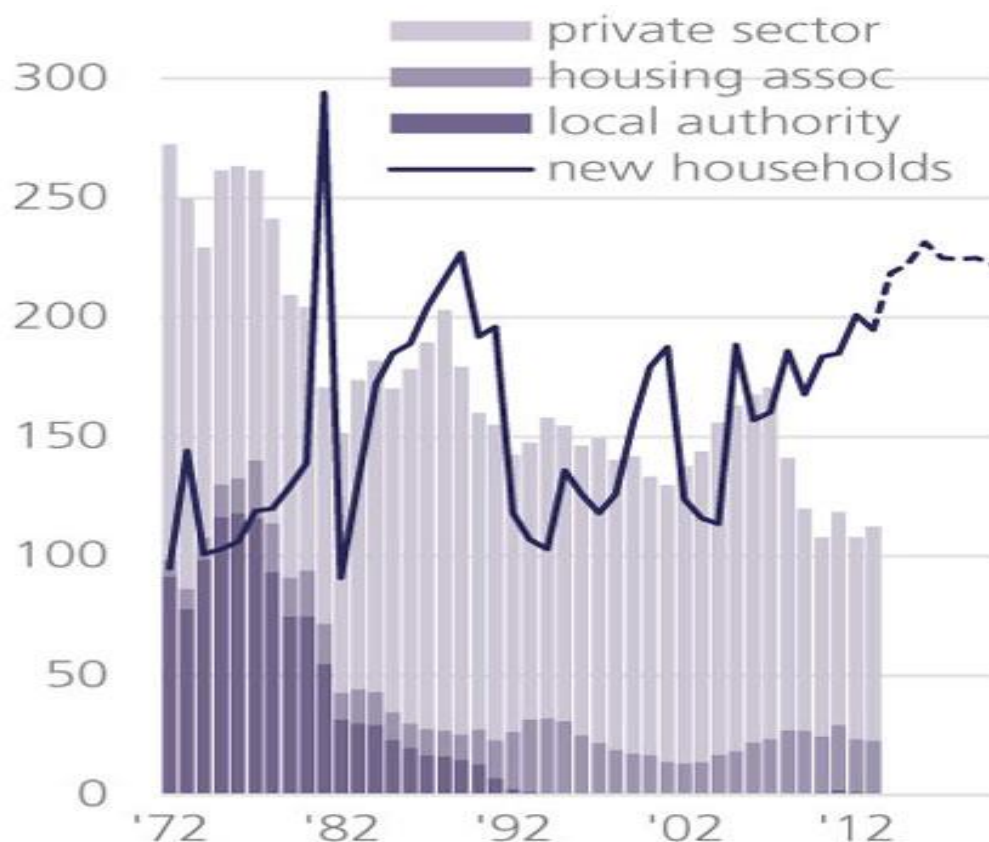
Over the past 3 years student accommodation development in Portsmouth has helped the City Council meet our Housing Delivery Test target for development as the governments methodology counts every 2.5 student rooms delivered as equal to 1 residential dwelling. Student accommodation has since 2016 delivered 1,459 dwelling equivalents.

### University of Portsmouth

The University of Portsmouth has grown in student numbers from 2007-2018 with the number of home/EU students having increased by 20% since 2007, and International Students by 50% since 2007 (University of Portsmouth 2018<sup>13</sup>)

### Supply and demand

The number of new households nationally each year has exceeded the number of homes built in every year since 2008, and the gap has grown in recent years, new dwellings (bars) by tenure, and new households (line), 1972-2013 (projections of new households to 2020).



The resultant house price inflation in areas of high demand has led commentators to

suggest that by 2020 home ownership will be an 'impossible dream' for those not already on the ladder. Declining affordability would suggest that, for many, that dream is already impossible. (Parliament<sup>14</sup>)

(Source: Hampshire County Council)

	2006	2011	2016	2021	2026	Change
Dwellings	84,751	88,801	92,732	96,897	100,740	<b>15,989</b>
Population	191,514	197,614	202,145	207,275	212,312	<b>20,798</b>
Households	81,657	85,572	89,365	93,379	97,089	<b>15,432</b>

This data showing population and household projections shows that in Portsmouth (just considering local need and no in migration) there is a need to provide an additional 17,340 homes between 2006-2036. This figure includes additional housing for the increase in population and also the increase in households due to splitting and newly forming households. There are also 2,242 households on the housing register (as of January 2020), some of which may be included in the housing figures above but others may be new households. Therefore this would only increase the figure. (PCC<sup>15</sup>)

### **What does the PRS look like in Portsmouth?**

The knowledge and data around the PRS in Portsmouth is weak, and therefore some assumptions will have to be made using national data. Some data has been provided by the council's private sector housing team

### **Number of properties**

In Portsmouth, approximately 41% of homes are rented, while 59% are owner occupied (with or without a mortgage). How this breaks down by tenure is shown in the following table

Estimates of dwelling stock in Portsmouth by tenure:

Tenure	Number of homes	%age of total dwelling stock
Owner occupied	55,455	61.2%
Private rented	17,985	19.8%
<b>Total private sector</b>	<b>73,440</b>	<b>81.0%</b>
City council rented	10,080	11.1%
Housing association and other public sector	7,100	7.9%
<b>Total public sector</b>	<b>17,180</b>	<b>19.0%</b>
Total	90,620	100%

### ***(ONS), Subnational dwelling stock by tenure estimates, 27 Nov 2019***

Although the estimates in the above table are broadly correct, most local authorities, including the council, do not know precisely how many homes in Portsmouth are owned by a landlord and then rented to a tenant, either on a tenancy or license.

There is no local data available on the number of landlords who operate in Portsmouth, but based on the national average of 1.8 properties per landlord, there would be

approximately 11,000 landlords in Portsmouth. Nationally, 61% of landlords use a letting agency. If this is applied to Portsmouth it would indicate that approximately 6,700 landlords use a letting agency, and 4,300 operate independently.

### **Standards within the Portsmouth PRS**

The standard that a property is maintained at is usually agreed between a tenant and landlord or letting agent at the start of a tenancy, and in the vast majority of cases, this arrangement continues to the satisfaction of both parties without the need to refer to external support. In the year 2019 the council's Private Sector Housing Service, who investigate complaints, received complaints regarding 1,058 properties from a total of approximately 18,000 PRS. This means that a complaint is only received about 6% of the PRS.

When an enquiry is received by the council which it believes needs to be investigated, an officer will arrange to make a visit and carry out a Housing Health and Safety Rating System (HHSRS) assessment of the rental property. This is a risk-based assessment tool, used by council officers, that identifies hazards in dwellings and evaluates their potential effects on the health and safety of any potential occupants and their visitors. Hazards that are identified are scored on their severity of harm and categorised as either Category 1 (the most severe) or Category 2 Hazards (less severe, but still may have a significant impact on property occupants).

On completion of the HHSRS of the rental property, if hazards are identified a work schedule to mitigate those hazards is issued to the landlord to action within a specific time period. Should this time period lapse, or the works fail to be completed to an appropriate and reasonable standard, the council will follow its published enforcement policy.

This policy aims to support the local community and promote continuing growth whilst making sure that there is a balanced housing market that provides for a range of individual needs and income levels. The main objective of enforcement action is to ensure that non-compliance in the local market is addressed. (PCC<sup>17</sup>)

The council has a legal duty to take the most appropriate course of action available in relation to category 1 hazards and can do this through a range of formal notices or orders. The type of notice or order served will be based on the best course of action undertaken as required by the relevant legislation. Each course of action is decided on an individual basis.

The council also has the power, which is enacted through its local enforcement policy, with regard to Category 2 hazards.

Regarding space standards (the minimum amount of amenity space within a property depending upon the number of occupants) the council have adopted their own amenity and space standards to improve the rental property standards in Portsmouth.

## Affordability

### Portsmouth rent levels by property size (£ per month)

Size	Rent data Oct 2017-Sep 2018 (Portsmouth)		
	Lower quartile	Median	Mean
Shared	£340	£395	£412
Studio	£450	£525	£536
1 bed	£550	£595	£615
2 bed	£685	£750	£770
3 bed	£817	£895	£912
4 bed	£1,238	£1,400	£1,527

### National Rental levels based on property size (Valuation Office<sup>8</sup>)

Across the UK on average, private renters spent a third (33%) of their household income (including Housing Benefit) on rent. This is compared to 28% for social renters, and 17% for mortgagors. Most private renters (71%) said they found it easy or very easy to pay their rent. (MHCLG<sup>18</sup>)

### Financially assistance for tenants

Assistance with rental costs (from either Housing Benefit or Universal Credit) is available in the PRS. However the amount of money available is capped at the Local Housing Allowance (LHA) rate and is determined by the number of bedrooms the household is deemed to need.

### LHA rates for Portsmouth 2013-2020 (£ per week)

Property size	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Shared	67.96	68.50	69.04	69.04	69.04	69.04	69.04
1 bed	115.38	115.38	116.53	116.53	116.53	116.53	120.03
2 bed	141.51	142.93	144.36	144.36	144.36	144.36	148.69
3 bed	170.99	172.70	172.60	172.60	172.60	172.60	177.78
4 bed	235.85	230.77	240.00	240.00	240.00	240.00	240.00

Across England one fifth of private renters received Housing Benefit (HB), but in Portsmouth approximately two thirds of households in the PRS receive partial or full HB and for most recipients, this does not cover their whole rent. Across England 85%

of those in the PRS who receive HB reported that the benefit covered only part of their rent. (MHCLG<sup>18</sup>).

For 67% of households in PRS housing in Portsmouth receiving HB under the LHA rules, their LHA rate is well below the average. The average shortfall is £25.95 per week (£112.45 per month) which the tenant must find from other income or fall behind on their rent.

LHA rates were initially set at the median rent level but from April 2011 they were reduced to the 30<sup>th</sup> percentile of market rents. This meant that just 3 in 10 properties within the local market would be at or below the LHA level. LHA rates were then frozen between April 2016 and March 2021, while market rents have increased, so LHA rents are now well below market rent levels.

The government introduced some Targeted Affordability Funding in 2018 to increase LHA rates that were furthest behind market rents. In Portsmouth, this increased the 1, 2 and 3 bedroom rates from April 2019, while the shared accommodation and 4 bedroom rates remained frozen.

For a tenant living in a PRS home, who receives any amount of HB, or UC including a Housing Costs Element (HCE), any increase in their rent above their LHA rate will not result in any increase to these benefits.

For both social and PRS tenants whose HB or UC does not cover their full rent, Discretionary Housing Payments (DHP) can provide short term assistance to meet the shortfall. Awards are often made for three months, and focus on providing time for the tenant to explore alternative options to afford their rent, such as finding work or increasing their hours, or moving to a more affordable home.

The council receives an annual ring-fenced grant for DHP from the Department of Work and Pensions (DWP), and can choose to add its own funds.

A 2019 study of affordable housing concluded that on a single day in Portsmouth only 9 of 415 two- bedroom homes were affordable to rent on the current housing benefit. According to this study the average benefit allowance in Portsmouth would need to increase by £129 a month for someone to afford the cheapest 30% of homes. (The Bureau of investigative Journalism<sup>19</sup>)

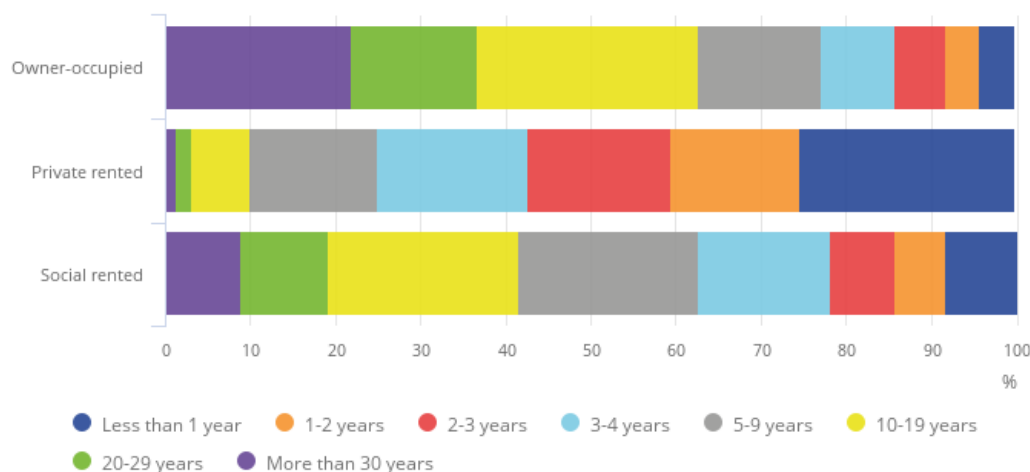


## Section 9: Tenants

25 to 34 years age remains the single biggest group, which represents 33% of the sector with 1.5 million households. However there were more than three times as many 35-to 44-year-olds renting privately in 2017 than 20 years previously. Households in the 45 to 54 years age group saw the biggest percentage increase from 11% in 2007 to 16% in 2017, an estimated increase of 384,000 households. (ONS)

Households aged 65 and above decreased as a proportion of renters although then overall numbers are increasing. Approximately 20% of older renters are still in work and an estimated 45% are in receipt of Housing Benefit.

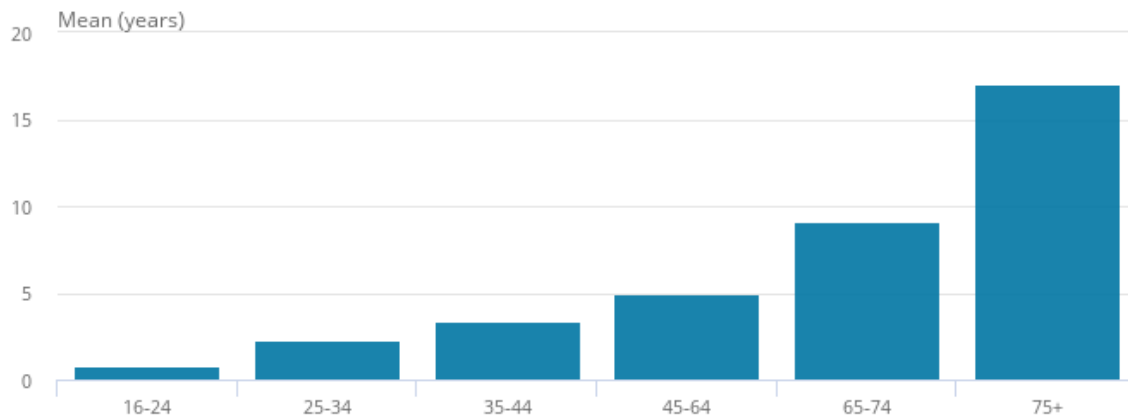
62% of households in the private rented sector in the UK had spent under three years in the same accommodation and only a small proportion (4%) had been in the same residence for 20 years or longer. However there is some evidence that this is changing. In 2008/9, 39 per cent of households had lived in their current tenancy for less than a year; in 2015/16, this figure was 26 per cent. The proportion who had been living in their property for three to five years increased from 18 to 30 per cent over the same time period with a marked increase in tenancy lengths for families with dependent children. (Rugg, J & Rhodes, D.<sup>6</sup>)



Source: English Housing Survey, Ministry of Housing, Communities, and Local Government

The average length of residence for tenants at their current address in the private rented sector differs according to age. Younger people (aged 16 to 24 years) have stayed in their current residence for a shorter amount of time, an average of 9.6 months. Older people (aged 75 years and over) on the other hand are more likely to have lived at their current private rented accommodation for an average of 17 years

(MHCLG<sup>5</sup>)



There is evidence to suggest that tenants are more likely to move properties within the sector, than to move to social housing or owner/occupation.

Young people (aged 16 to 24 years) were most likely to move for job related reasons or for neighbourhood related reasons whereas those between 45 and 65 years were most likely to move because the landlord gave notice or because of divorce or separation. For those with dependent children, the most prominent reason for moving was because the landlord gave notice followed by job-related reasons. (ONS<sup>20</sup>)

The number of private renters who expect to buy has been stable over the last 10 years at between 50-60% of the total. This indicates that the remainder do not expect to buy, and therefore can expect to remain within the PRS for the rest of their lives, or move into social housing. (MHCLG<sup>5</sup>)

## Case Study - Story of a Portsmouth PRS tenant

Miss A and her baby daughter rented a 1 bedroom partial basement flat in Southsea. Miss A, by her own admission, suffers from anxiety which led her to feel that the property she is renting was unsafe and she contacted the council for assistance in February 2019. Miss A raised all concerns with her landlady prior to contacting the council.

In July 2019 Miss A contacted the council seeking assistance and an officer visited to undertake a Housing Health & Safety Rating System (HHSRS) assessment. A handful of Category 2 hazards (those considered under the system to be less serious or urgent) were identified including a leaking flat entrance door and disrepair around a double power socket in the kitchen. However, before a work schedule could be sent to the landlord, Miss A was served a notice to vacate the property under section 21 of the Housing Act 1988. It is unknown whether the landlord served this notice before or after they became aware of the councils involvement in the case.

Although Miss A was being lawfully evicted she felt that the council ought to have served an Improvement Notice to prevent the eviction from going ahead. However as the deficiencies identified were addressed by the landlord, there were no grounds on which the council were able or justified to serve notice. The outcome meant that Miss A will be evicted.

Miss A sought help from the council when formally evicted. As Miss A was a single mother to a baby daughter, it was highly likely she will be supported into new accommodation which almost certainly will be social housing.

All of the information leads this strategy to proposing five main reasons why people rent

- a. People in PRS for a fixed term short period of time (students). Mainly low/no connection to Portsmouth and likely to leave after fixed term (university may be able to provide data here).
- b. People in PRS for a medium term, indeterminate period with plan to move out. Those saving for a deposit to become an owner occupier or waiting to enter social housing (and will enter it)
- c. People in PRS for long term and indeterminate period with no plan to move out, but could move out if they wanted to
- d. People using the PRS as a second home for work
- e. People in the PRS for long term and indeterminate period with no plan to move out, and cannot move out. These people do not qualify for social housing and are not saving for a deposit to become an owner/occupier. These people are stuck in the PRS and not here by choice.

To find out if these are true in Portsmouth, and how many of each there may be, surveying of tenants was undertaken. This is outlined in Section 6.

## **What makes a 'good' tenant?**

Fundamentally the success of a well-functioning PRS depends upon the behaviour of the main user groups. Whilst other stakeholders, such as the university, council, developers, charities etc. can have an influence in specific cases, and have some influence on the direction of travel, the success for of the PRS for individuals will be based upon their personal experience of the people that they deal with and their behaviours.

The role of this strategy is to make clear what should be considered as good behaviour by a tenant.

It is useful to try to define what a 'good' landlord may look like

A number of sources were reviewed to understand what is considered to be a 'good landlord', including

- Local authorities (City of York<sup>21</sup>)
- The Tenants Voice (The Tenants Voice<sup>22</sup>)
- Landlord organisations (Clan Gordon<sup>23</sup>)

As well as a review of what the council, as a regulator of the sector, would expect to see from a good tenant. There were many common themes amongst most of these groups, and this has been used to create the following definition of a good landlord

This strategy proposes that the definition of a good tenant should be:

- Good tenants pay their rent on time, or if they can't (for any respectable reason) they warn their landlord immediately and look for a solution.
- Good tenants communicate with their landlords on all necessary matters – repairs, negotiating terms, asking for permission.
- Good tenants provide access to the property when requested or offer a flexible schedule when they need to postpone.
- Good tenants take care of their home even though they don't own the property. They are not shy about doing work to the property or small repairs and even improve the conditions at their own cost. Good tenants report every repair issue on time, so it can be fixed in due time.
- Good tenants have read and understood the tenancy agreement and are prepared to follow the terms listed.
- And if all of the above are followed, it is highly likely that a good tenant will be living in their property for the long-term.

## Section 10: Landlords

A private rental sector landlord has been defined as "Those who are receiving rent from either second homes or buy-to-let properties in the UK (or both). This does not include those who receive rent from lodgers in their own home". (SSC <sup>28</sup>)

In order to understand landlords it is necessary to split the landlords up into groups.

- A) Commercial Organisations (Companies often owning a large number of properties who are run professionally on a commercial basis.)
- B) One (wo)man band business - An individual who owns properties as their main business / form of income.
- C) Small landlord by choice. People who buy one or two properties as an investment or supplement their main income.
- D) Accidental landlord. People who did not chose to become a landlord but now have a property to manage. This may be due to inheritance or families merging.

Commercial Organisations (Companies often owning a large number of properties who are run professionally on a commercial basis.)

Commercial Organisations/companies are considered the larger landlords in our groupings. They are likely to include landlords that are not letting on the open market, including government departments, higher education institutes and employers. They are also small individual incorporated landlords as well as landlords letting many properties.

This group of landlords comprises of 6% of the private rental sector. 2% describe themselves as companies, and the other 4% as organisations. (MHCLG <sup>27</sup>)

In the 2012 report - "Review of the barriers to institutional investment in Private Rented Homes" recommended many changes to make this a reality. These included a change in planning, a change in land release, and a more radicalised look at when houses are built for a buy to let market, not owner occupier. The main barrier was recognising that this was an innovative approach and convincing investors that they would receive a return on their money.

The likely motivation for a company/organisation to invest in the PRS is the financial return.

In 2014 the national Build to Rent (BTR) Fund made £200m available on an equity share or loan basis over the period of 2012-16, and £10bn of debt guarantees. In 2015 it was reported that 15 schemes had secured £455m funding which was rolled into the Home Building Fund in 2016. There was no final figure on how much of the fund had been allocated at its close.

Small companies or partnerships that manage their own portfolio - An individual who owns properties as their main business / form of income.

This group of landlords are as "Portfolio builders". They use a variety of financial packages to make their gains from acquisition to selling units that are not performing as well. They are the professional landlords and may have staff to help manage their portfolio. 17% of landlords fall into the group, and own 48% of the sector which (up from 39% from 2010.)

Although the number of people that this group rent to in the PRS has increased, the number seeking to increase their portfolio has dropped from 29% in 2015 to 15% in 2018

In the English Private Landlord Survey only 4% of landlords state that they became a landlord as their full time career. It is most likely this group of people that this figure refers to. . (Rugg & Rhodes)

Small landlord by choice. People who buy one or two properties as an investment or supplement their main income.

This type of landlord has been described as a "Pension- plan" landlord. They usually only have one or two properties and bought them as a long term investment and as a side line to their main occupation. They will likely have funded the investments with:

- savings;
- an outright sale;
- from an owner occupied mortgage or
- be reliant on by to let finance.

44% of landlords have said that they bought their rental property to contribute towards their pension although it is not for this strategy to comment on whether these are wise investments. 39 % of landlords are already retired and an estimated one fifth of landlords fall into the pension- plan category.

Accidental landlord. People who did not chose to become a landlord but now have a property to manage. This may be due to inheritance or families merging.

This type of landlord did not necessarily plan to be a landlord but has become one through circumstance. 32% of landlords have admitted that the first house they rented out they originally lived in themselves.

It may be that they have to rent their own property to acquire a larger property and are renting their property out until a sell will occur. They may have inherited a property or have merged two families together and found themselves with an extra property as a result. This group is the most likely group to sell their property and stop being a landlord as soon as possible, unless letting the property is more financially beneficial.

45% of landlords own only one property, making up 21% of the PRS properties.

This type of landlord has been described as a "Churn" landlord and this is because they will not be in the private rental sector for long but churn over regularly when the asset can be sold. They will only be motivated to stay in the private rental sector for as long as they have to.

### **Why do landlords stop being landlords?**

There are many reasons why a landlord will decide to no longer be part of the private rental sector. As explored previously, an accidental landlord is more likely to sell and leave the private sector far more quickly than the other three group sets that have been explored. However, what could influence other landlord groups to no longer work within the private rental sector?

#### **Change in Taxation**

In 2015 central government reduced the tax advantages to landlords compared to owner occupier purchasers, and used stamp duty land tax (SDLT) to be more preferable to households seeking home ownership. They also made changes to interest rate offset rules to influence the number of Buy to Let (BTL).

The market response to these changes meant that more property was bought for BTL purposes before the changes were implemented in April 2016. The impact of the taxation change was that it did not stop landlords buying property but bought more quickly that financial year to avoid the change in taxation.

It is difficult to judge what long term impact these financial changes will have on landlord behaviour. Some believe that "Portfolio landlords" whilst those with "mature" portfolios who have little to no loans against their properties and accidental landlords will be less affected, such as accidental landlords and companies/organisations.

The full impact on all landlord types will not be known until 2020 when individual landlords start completing tax returns and fully understand any losses.

#### **Change in legislation/regulatory framework**

It is widely recognised that the PRS requires regulation in order to ensure that properties are safe to live in.

The impact of licencing legislation on landlords has been hard to ascertain. This is because not all properties that are licenced are visited by the Local authority and therefore the impact that the licence has on the property owner could be minimal depending on where they live in the country.

The Right to Rent requirement has changed who some landlords are willing to rent to. 44 % of landlords state that they are less likely to rent their property to someone without a British passport.

The protection against retaliatory eviction has been criticised as the legislation, in particular its requirement for a local authority to issue an improvement notice before the tenant has protection against eviction, is seen to be convoluted in nature (as demonstrated in the case study of Miss A in section 4).

The Deregulation Act 2015 also recognised that tenants needed to be better informed about their rights. The "How to Rent" guide has been created to be given to tenants at the beginning of their tenancy. If the landlord fails to provide this information then any Section 21 Notice served later on will be invalid. The industry has expressed concern, however, that the "How To Rent" guide is actually creating confusion as there have been changes made to the guide and, therefore, the validity of the version that they are giving will affect whether they can seek eviction under Section 21.

It has been stated that "effective regulation of the sector is undermined by the nature of the broad, overarching regulatory and governance framework."

### Change to the benefit system.

Prior to Universal Credit a landlord renting to a recipient of Housing Benefit would almost be guaranteed rent as a result of negotiating with the local authority to have it paid directly to them. Under the new Universal Credit, all benefits are paid directly to the tenant. They are then required to budget their benefits to cover all their bills, including their rents.

A landlord can apply for an Alternative Payment Arrangement (APA) which can mean that a landlord can receive their rent directly. However, of the 53% of landlords who had successfully applied for an APA over half have said that they found the process difficult.

38% of landlord with Universal Credit tenants have seen those tenants fall into rent arrears with an average owed of £1150. Tenants in this situation are likely to struggle to ever pay this debt back.

The impact that this situation has on private landlords is that they are facing both a loss of revenue and potentially expensive passion procedure. Landlords will change their management practices to mitigate this risk.

### Summary

In summary, the private rental sector is made up of 94% individual landlords who are likely to be either one man bands, retirement fund landlords or accidental landlords. 4% are a company and 2 % are an organisation.

45% of landlords own one property and they rent to 21% of the private rental sector. The biggest contributors to the private rental sector (at 48%) are landlords who own 5 or more properties. This group of landlords is expanding as they have increased from 2010 from 5% to 17% in 2018.

46% of landlords gave their main motivation for becoming a landlord as wishing to invest in property rather than other investments. This is likely to cover the majority of professional landlords.

44% bought to increase their pension which is more likely to be relevant to small and accidental landlords. Only 4% said they bought with the intention of it being their main income.

The increase in legislation and changes in the benefit and tax system, may see a change in the amount of landlords per group set in the future.

This information leads the strategy to propose four main reasons why someone may be a landlord, as follows.

- a. Commercial organisations. Companies, often owning a large number of properties, who are run professionally on a commercial basis
- b. One man band businesses. Individuals who own properties as their main business/form of income
- c. Small landlord by choice. People who buy one or two properties as an investment or to supplement their main income
- d. Accidental landlord. People who did not chose to become a landlord but now have a property to manage. This may be due to inheritance or



families merging. The removal of Section 21 may make these people want to leave the sector but find that they cannot.

### **What makes a 'good' landlord?**

Similar to the section on tenants, it is useful for this strategy to define what Portsmouth may want a good landlord to look like.

It is useful to try to define what a 'good' landlord may look like

A number of sources were reviewed to understand what is considered to be a 'good landlord', including

- National Landlords Association
- Residential Landlords Association
- Portsmouth & District Private Landlords Association
- The Tenants Voice
- Shelter

As well as a review of what the council, as the local regulator of the sector, would expect to see from a good landlord. There were many common theme amongst most of these groups, and this has been used to create the following definition of a good landlord (NLA <sup>25</sup>)

### **Five principles of a good landlord**

#### **1) Act in a fair, considerate and just way towards tenants**

- The landlord will respect the tenant's rights to peaceful and quiet enjoyment of the property and will, emergencies excepted, ensure the tenant is given reasonable notice of access.
- Reacts proportionately when there is a problem with the property to rectify it in a way which minimises disruption wherever possible.

#### **2) Create a good tenancy**

- The landlord should provide tenants with a written statement of the terms of their occupancy, and make every effort to assist the tenant with the understanding of their tenancy agreement.
- The landlord will inform the tenant in writing of any additional charges that the tenant will be required to pay during the tenancy.
- The landlord should make the tenant aware of local information on issues such as waste collection, and parking restrictions. They will also signpost tenants to the local authority who may assist with issues such as:
  - Claiming housing benefit and paying council tax (where relevant)
  - Advice on being a good tenant
  - Other support services such as social care or education

#### **3) Maintain a good tenancy**

- Abide by relevant landlord/tenant law, including racial equality and disability legislation.
- The landlord will communicate promptly with tenants, informing them of relevant changes.
- The landlord will abide by the rules of any tenancy deposit scheme of which they are a member.

- All disrepair in the property for which the landlord is responsible will be attended to promptly, with minimum disturbance to the tenant.
- The landlord will provide the tenant with accommodation that complies with legal requirements relating to the fitness of accommodation.

#### **4) Work in good faith with tenants and regulators to resolve problems**

- Tenants will be treated with appropriate courtesy and respect and will not be deliberately misled. The landlord will act in a fair, honest and reasonable way in all their dealings with the tenant and will not, as far as is reasonable, disclose personal tenant information to other parties without their consent.
- Before proceedings are commenced, the tenant will be notified of any breach of the tenancy agreement that is to be used as a basis for legal proceedings against the tenant.

#### **5) Ending a tenancy in a good way**

- Give as much notice as reasonably possible, following the correct procedure, and in line with legal requirements as a minimum.
- At the end of the tenancy the landlord will return any deposit paid by the tenant promptly in accordance with tenancy deposit protection legislation in effect at the time.
- The landlord will not refuse a tenant a reference for the purposes of securing a new tenancy, without good cause.



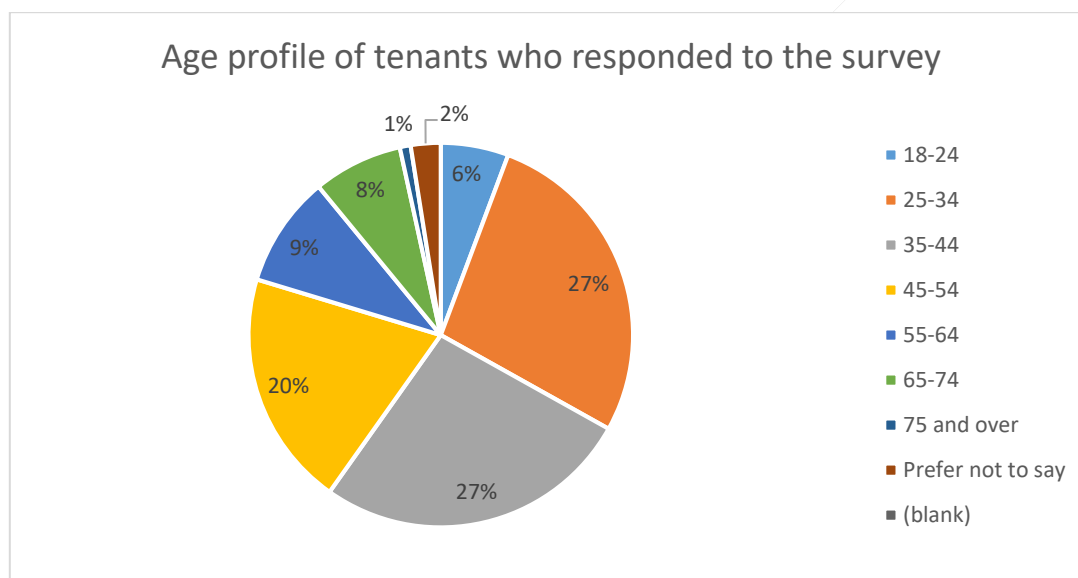
## Section 11: Important factors to each group in Private Rental Sector in Portsmouth

During 2019/20 the council undertook an online survey to discover the view of tenants and landlords who are active in Portsmouth. The nature of this survey meant that it was not possible to verify the reliability of each respondent, nor is it possible to confirm if this represents an accurate picture of all landlords and tenants across the city as only those who wished to complete the survey will have done so. Therefore it is with these caveats that we report the results of the survey and the conclusions that have been drawn from it.

There were 849 respondents, of which 324 were from landlords, and 525 were from tenants.

### Tenant's summary

63% of the respondents identified themselves as female, and this figure was slightly higher (67%) when looking at long term renters. The age profile of tenant responders was as shown in the chart below



Only 6% of respondents were in the 18-24 age group, which may have traditionally been considered to be the group associated with students. Therefore this, along with subsequent data, indicates that the responses were predominantly from the non-student tenant population.

27% of respondents were aged 25-34, compared to the national figure of people of this age in the PRS of 33%. There was also a bigger response from those aged 45-54 (20%) compared to the national average of 16%.

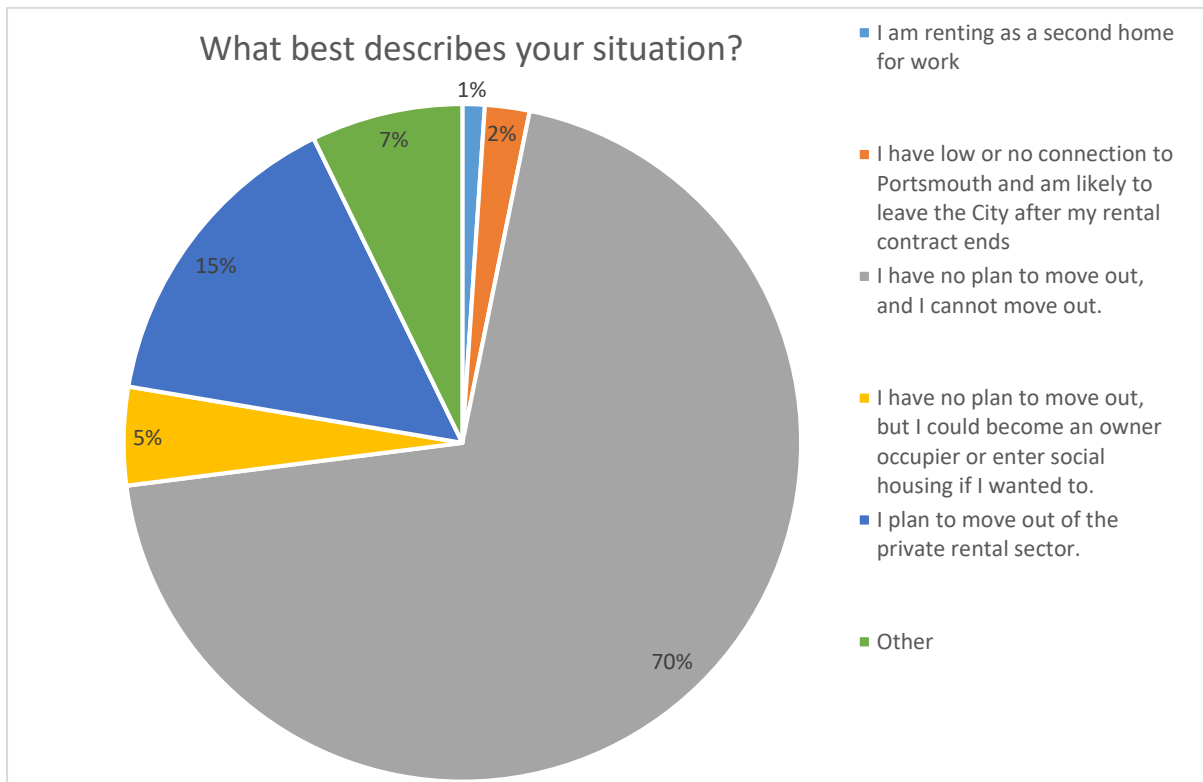
This data confirms that renting in the PRS is relevant to all age groups, but that Portsmouth may have a slightly older demographic within the PRS than the national picture.

Only 4% of tenant responses were from those who identified themselves as an ethnic group other than white, and 13% identified themselves as having some form of disability as identified under the Equalities Act 2010.

When asked the question about the type of tenancy that they had, 45% identified that they had a fixed term contract i.e. with a fixed expiry date, whilst 55% identified that their contract was periodic i.e. on a monthly rolling basis. This indicates that the majority of tenancies in the survey have a large level of uncertainty when it comes to the ending of their contract. This may be beneficial to the tenant and/or landlord, but probably not where a power imbalance may be in place.

When asked how long were they renting for, just over three quarters indicated that they were renting for the long-term, and only 4% were renting in the short term. This seems to support the hypothesis that the respondents to the survey were from a non-student population.

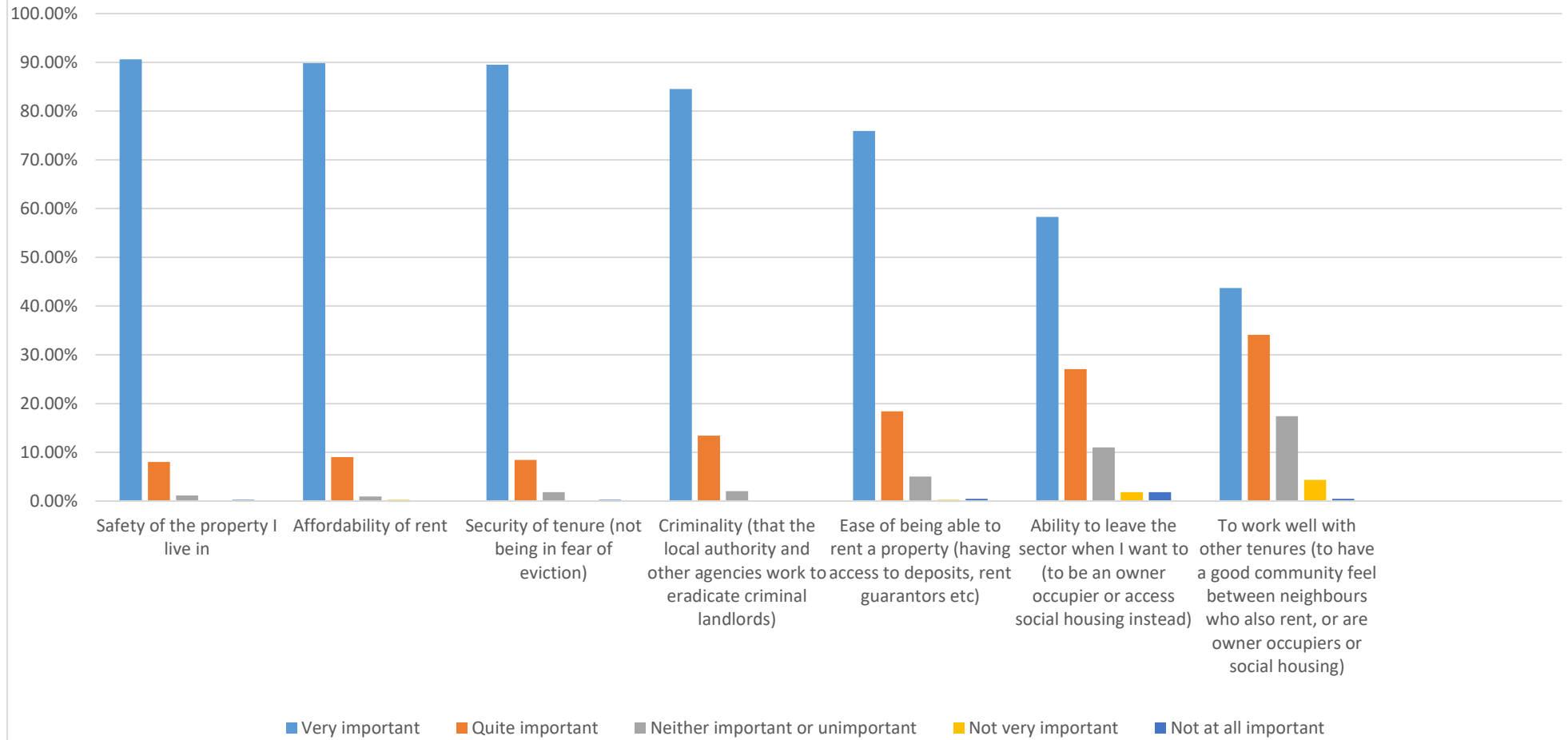
When asked for more details about the reason that they rent, the respondents indicated as per the chart below



70% of respondents described themselves as those that have no plan to move out, and cannot do so. This shows a population which is trapped and in need of support to make the PRS work for them.

When asked what their priorities were, tenants responded as shown in the following graph.

### Priorities to tenants



It can be seen that whilst all categories are considered very important to the responding population, property safety, affordability and security of tenure can be considered as the strongest priorities.

The weakest priority was to work well with other tenures and create a good community. This is unsurprising given that PRS tenants have less security of tenure and therefore may feel less attachment to their property and neighbours.

This was echoed when considering the comments made by responding tenants. Some representative examples of comments made are as follows:

*"For the landlord to upkeep the property and carry out maintenance works when necessary and on request without the fear of being evicted! I asked my landlord to do necessary works and was served an eviction notice shortly after, landlords are unscrupulous in their management of properties!"*

*"Property standards, making sure repairs are made on time without fear of rental increase or eviction."*

*"To have a system which makes landlords accountable for their properties being fit to live in - e.g. ensuring that damp and mould is not something they can avoid doing anything about"*

*"Threatened eviction, rent increase and no way out the hell hole I live in because I can't afford anywhere else and housing won't help me."*

*"A capped level of rent. I cannot get social housing where my housing benefit would probably cover my entire rent yet I am in continual financial hardship as have to top rent up from benefits"*

*"I cannot save enough for a deposit to buy a house as we are too old to get a mortgage, following respective breakdown of my partner and mine marriages"*

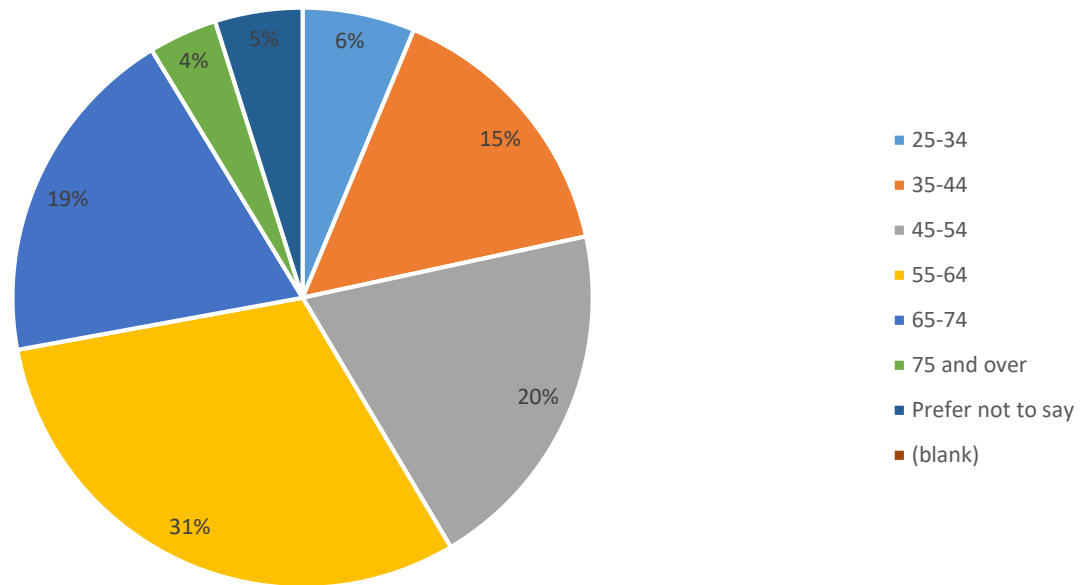
*"It is important to feel secure but equally not be trapped in long term contracts because circumstances change"*

*"My age is 73 holds a future of uncertainty in the rental sector"*

### **Landlord's summary**

52% of the respondents identified themselves as male, and 54% of landlords identified themselves as being 55+, compared to only 17% of tenants being in this age group.

Age profile of landlord respondents

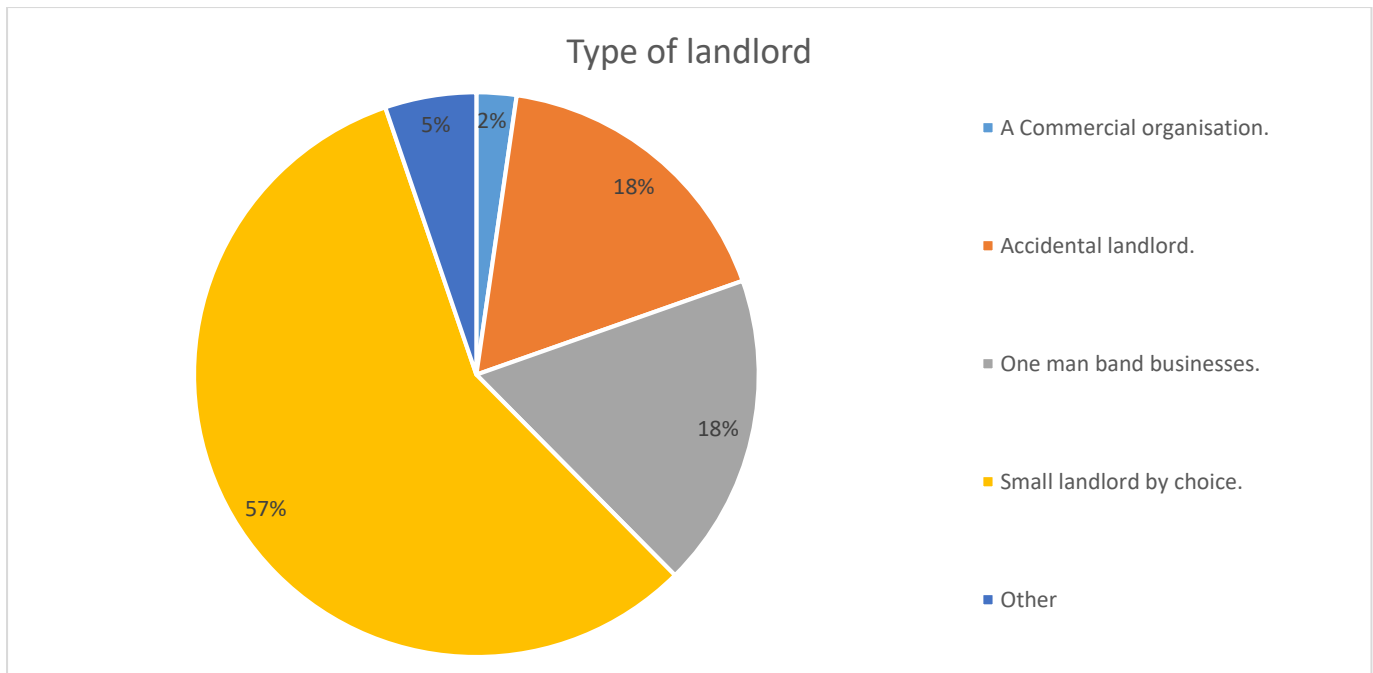


Only 3% of landlords responses were from those who identified themselves as an ethnic group other than white, and 5% identified themselves as having some form of disability as identified under the Equalities Act 2010.

When asked what type of landlord they described themselves as, there were five categories to choose from.

- A Commercial organisation. Companies, often owning a large number of properties, who are run professionally on a commercial basis.
- Accidental landlord. People who did not chose to become a landlord but now have a property to manage. This may be due to inheritance or families merging.
- One man band businesses. Individuals who own properties as their main business/source of income.
- Small landlord by choice. People who buy one or two properties as an investment or to supplement their main income.
- Other

The landlords who responded to the survey described themselves as follows.

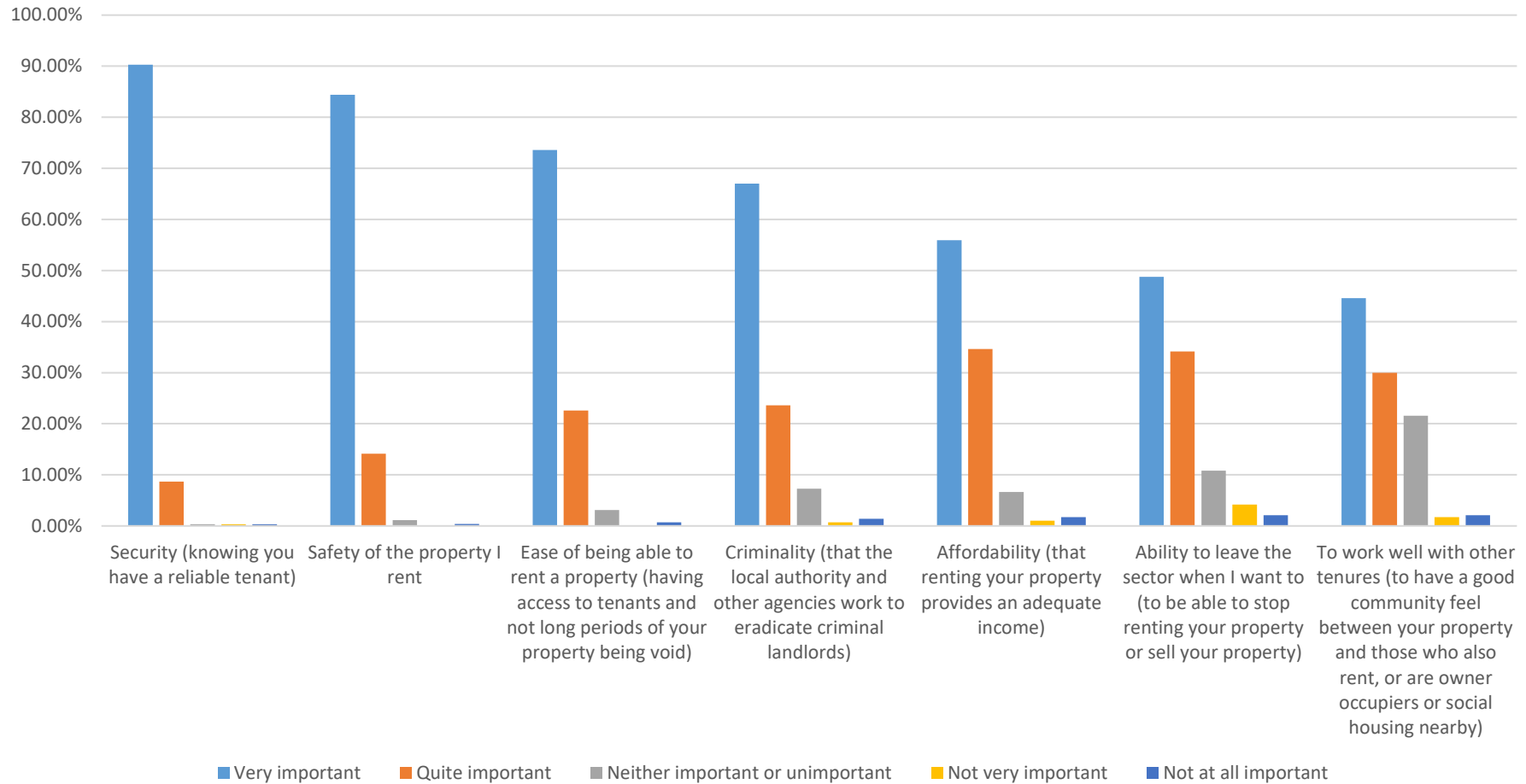


This indicates that three quarters of the landlords who responded consider themselves to be doing it not as a main job but either to supplement income/investment, or by accident. 18% were small business whilst 2% were large organisation landlords. This is similar to the national figures and indicate that there may be a need to support the majority of landlords who are doing it by accident or as a small investment.

When asked about their strategic priorities, landlords responded as shown in the following graph.



### Priorities for landlords



It can be seen that whilst all priority areas are considered very important to the responding population, having a reliable tenant, safety of the property and ease of renting are considered as the strongest priorities, whilst the ability to leave the sector as a landlord, and working with the surrounding community are the weakest priorities. What is also of interest is that financial affordability is not the strongest priority. These results suggest that landlords see their role as a long-term, and they want low risk, low return in favour of high rents but continual turnarounds.

Some comments from landlords were as follows

*"If a tenant stops paying rent it must be easier to evict them, any tenant can live rent free for close to a year before final eviction, that just can't be fair"*

*"I am concerned that the pursuit of rogue landlords is putting undue pressure on those of us that are conscientious landlords."*

*"To feel supported by PCC in providing rental properties in PCC area"*

*"To have the legal right to evict a tenant who refuses to pay rent, or damages the property."*

*"Stop Portsmouth University turning the city into a dormitory. Stop them absorbing all the students into their own accommodation. Stop them taking the best real estate in the town. PU's has changed demographics in the city. Reduced number of tenants looking and therefore reduced rents and therefore investment. Thus degrading the quality of property in the City. Portsmouth University was good for the City but has overstepped its place and is now ruining it."*

*"It isn't about profit it's about adding to the sense of community, charging a fair rent, providing a good standard of housing and assisting with the problem of the lack of social housing. Providing stability and better community through "partnership"."*

*"At present renting is so heavily regulated that I find it difficult to make a reasonable return. If regulations increase, I will leave the sector"*

*"That the tenants will pay and not destroy the property!"*

### **Summary**

A large number of tenants are in PRS not by choice, but due to a lack of alternatives. 18% of landlords are in a similar situation in that they did not chose to enter the sector.

Property safety is a top priority for landlords and tenants, along with security of rent payments, whilst the need to work well with other tenures and neighbours is seen as a lower priority.

The age profile of tenants is spread across all ages with a large minority over 45. Landlords tend to be older and the majority own one or two properties, either as an investment or by accident.

## **Section 12: Feedback on consultation of draft PRS strategy**

During Sept-Nov 2020 the council undertook an online survey to discover the view of tenants and landlords towards the draft PRS strategy that was approved in March 2020. The delay between approval of the draft strategy and its consultation was due to the COVID-19 pandemic.

Using various channels of marketing and communication the survey attracted 682 responses; however, the survey had a low completion rate of 48%. Nevertheless, this volume of responses ensures a 95% confidence level with a margin of error that ranges from 4% to 6%. This is within acceptable parameters.

The largest proportion of respondents in the sample were private renters (46%). A further 31% were landlords and 2% of respondents represented a stakeholder group. Respondents selecting 'other' were given the opportunity to provide an open ended response to describe their circumstance or interest in the PRS. Some of the 'other' respondents interested in the PRS included people living close by to rented property, Council tenants, individuals looking to become a landlord, live in landlords and those with lodgers and HMO consultants.

### **Summary of findings**

- The largest proportion of respondents in the sample were private renters (46%). 31% were landlords and 2% represented a stakeholder group.
- The majority of private renters had a periodic rental term where it continues on a rolling monthly basis (70%). The other cohort of private renters had a fixed term contract with a definite expiry date (30%).
- The majority of residents that are private renters plan to be renting for the long term (79%) whereas 18% plan to be renting for the medium term and only 3% are renting for the short term.
- When renting situation is compared to the age of respondents, the results still show that the majority of people are renting in the long term regardless of age. However, there is a pattern where the older the respondent, the more likely they are to rent in the long term.
- The majority of private renters have no plan to move out and cannot move out. Do not qualify for social housing and is not saving for a deposit to become an owner/occupier. They are renting in the private sector because they do not have an alternative option (76%).
- 'Small landlords' make up the largest proportion of landlords in the consultation (43%) whereas commercial organisations make up the smallest proportion at 4% of landlords.
- Support for the strategy objectives was high; the majority of respondents agreed with each one. The strategic objective that met with the highest level of agreement amongst respondents was strong regulators will use all of their powers, working with partner agencies and stakeholders, to tackle and remove

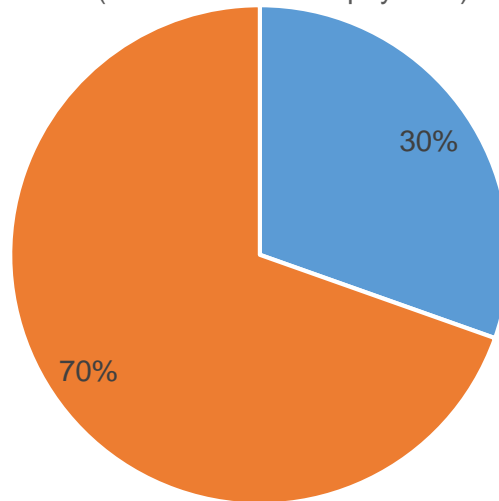
criminal and anti-social behaviour with (90%); 60% 'strongly agree' and 26% 'agree'.

- The top two actions for which resources exist that respondents think should be the highest priority were 'Action 13 - Continue to deal proactively when an unlicensed HMO is reported' and 'Action 10 - Ensure that officers responsible for regulating the PRS are trained to a professional standard and capable of meeting the needs of this strategy'; 56% and 54% of respondents (respectively) selected them as 'very high priorities'.
- The actions that respondents think are of least priority are 'Actions 7 - Ensure that data sharing, both within the council and with external partners is maximised, within the legal boundaries of relevant legislation' and 'Action 4 - Investigate with third party stakeholders the feasibility for closer partnership working on a single communications and web strategy where 9% and 8% of respondents selected 'low priority' respectively.
- The majority of respondents think that all actions requiring more detailed investigation, resources and/or permission should be of high or very high priority. The top two actions that respondents feel should be of highest priority are 'Work with landlord groups to provide workshops on how to be a good landlord' and 'Create a mediation service between landlords and tenants to help improve security of tenure. This may include a 'private sector housing court' where 76% and 72% of respondents selected these actions as very high or high priority respectively.

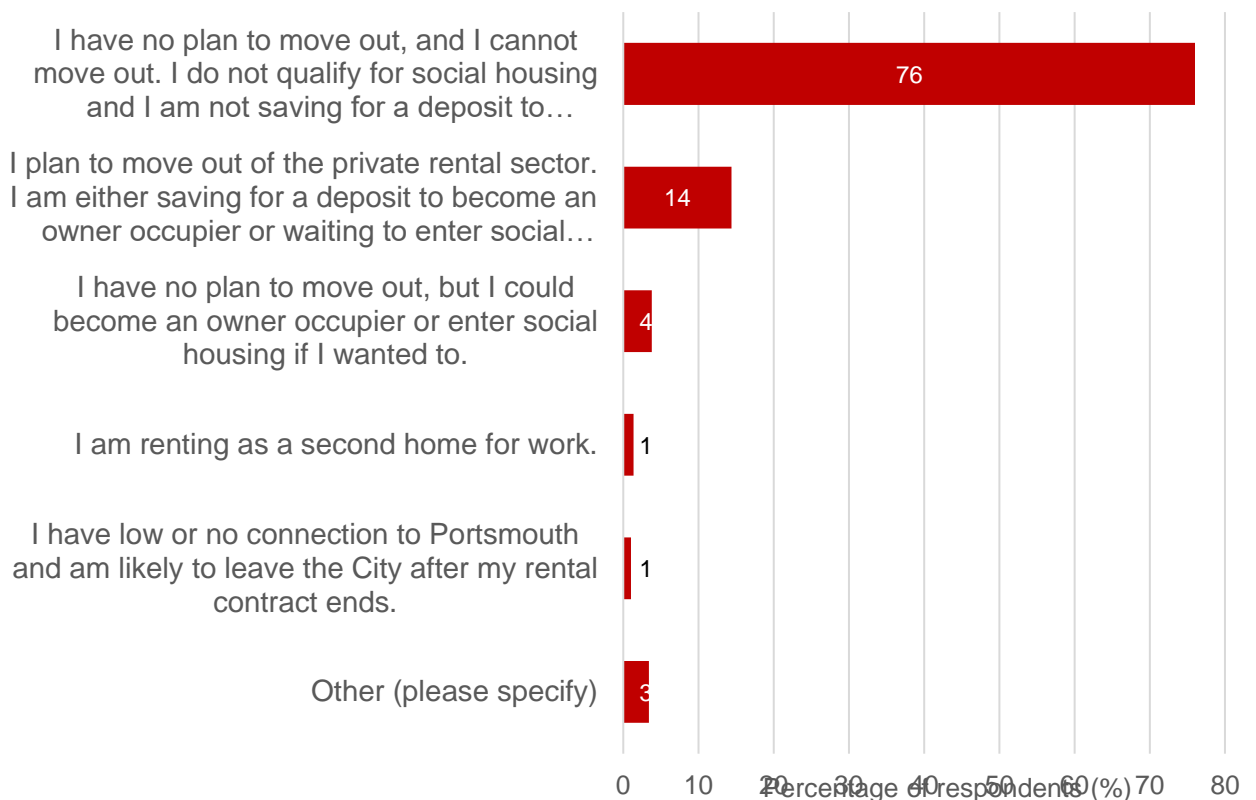
### **The renter profile**

The cohort of respondents who identified they were private renters were then asked to select how they would best describe their renting situation; short term, medium term or long term. Figure 8 (on the following page) shows that the majority of residents (79%) plan to be renting for the long term, 18% plan to be renting for the medium term and only 3% are renting for the short term.

■ Fixed term (i.e. with definite expiry date)

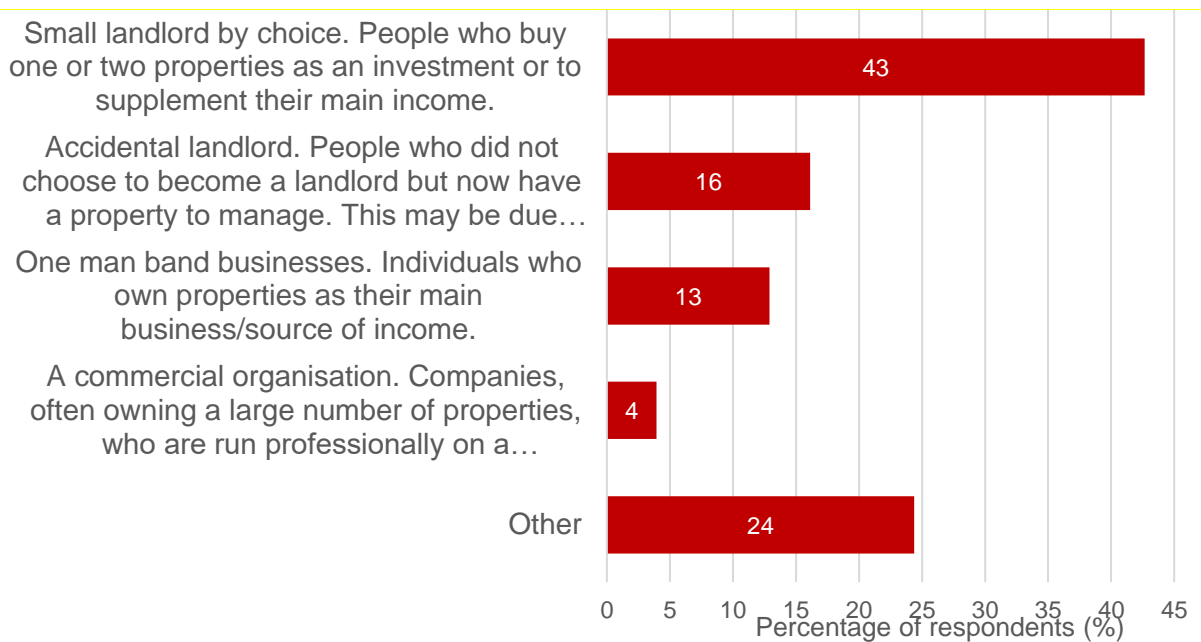


The cohort of private renters were asked what their current renting circumstances are; Figure 10 shows that the majority of respondents (76%) selected 'I have no plan to move out and cannot move out. I do not qualify for social housing and I am not saving for a deposit to become an owner/occupier. I am renting in the private sector because I do not have an alternative option'. On the other hand the least selected rental circumstances were 'I am renting as a second home for work' and 'I have low or no connection to Portsmouth and am likely to leave the City after my rental contract ends', both selected by only 1% of respondents in the private renter cohort.

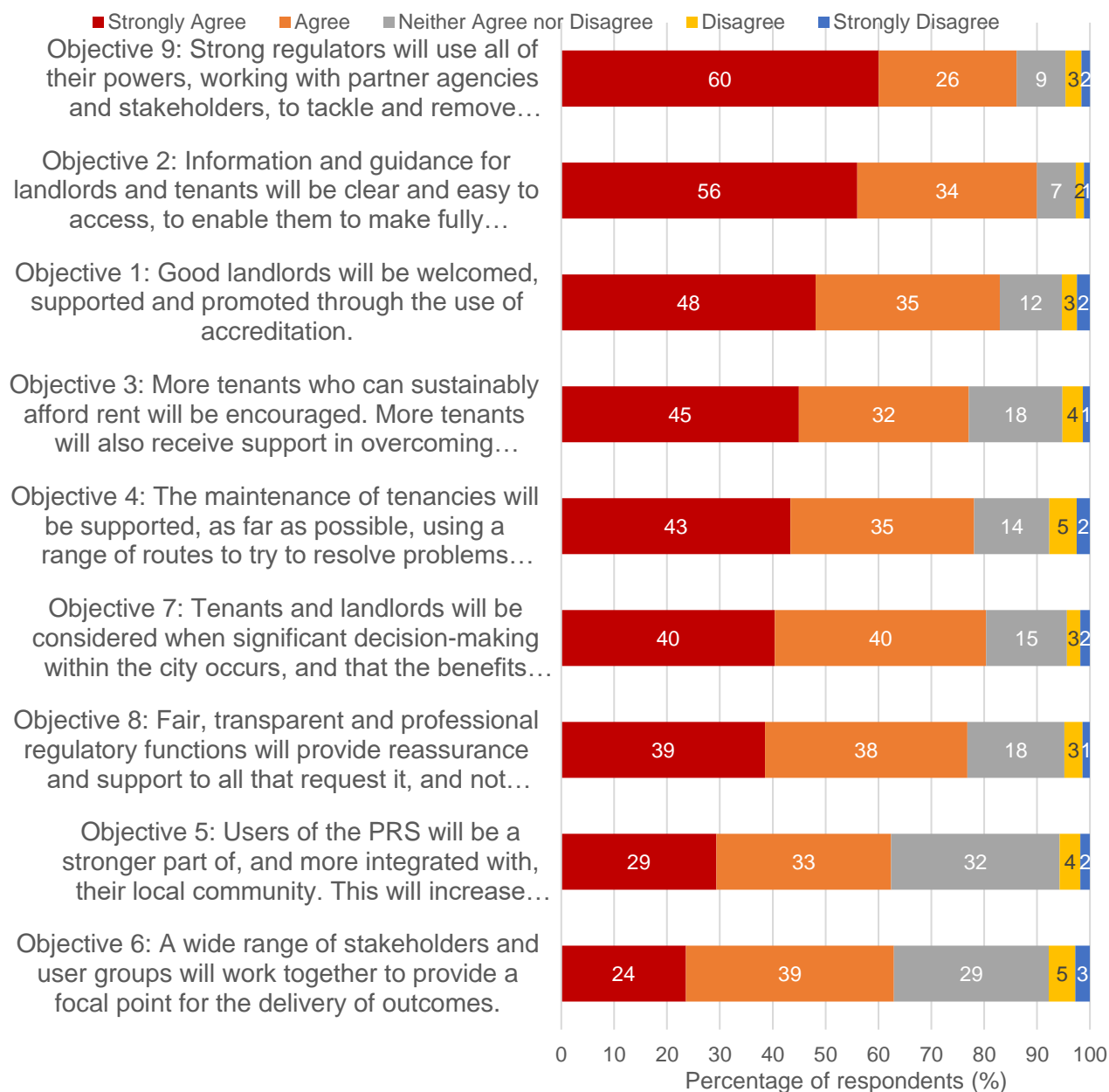


## The landlord profile

The consultation also asked landlords questions to ascertain their current circumstances as a landlord. The next chart the most commonly selected landlord circumstance was 'Small landlord by choice. People who buy one or two properties as an investment or to supplement their main income' (43%). The least commonly selected option was 'A commercial organisation. Companies often owning a large number of properties who are run professionally on a commercial basis' which was selected by 4% of this cohort. The 'other' responses included people interested in becoming a landlord and homeowners casually renting a room out.



## Support for objectives

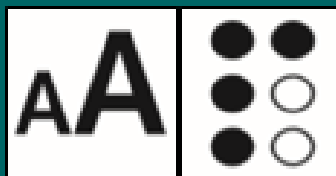


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Published:



# Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
  - Communities and safety
  - Regeneration and culture
  - Environment and public space
  - Equality & - Diversity This can be found in Section A5

**Directorate:**

Housing, Neighbourhoods and Building Services

**Service, function:**

Private Sector Housing

**Title of policy, service, function, project or strategy (new or old) :**

Private Rental Sector Strategy

**Type of policy, service, function, project or strategy:**

- Existing
- New / proposed
- Changed

**What is the aim of your policy, service, function, project or strategy?**

To achieve an active and well-functioning Private Rental Sector which works fairly for all.  
For the Private Rental Sector to be seen as a desirable type of tenure which meets the needs of those

who use it, with support being focused on those who need it most.

Has any consultation been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

Research has been undertaken to understand the PRS market in Portsmouth, the needs and circumstances of both tenants and landlords in the city. A survey was conducted in December 2019 to January 2020. There were 849 respondents, of which 324 were from landlords, and 525 were from tenants. A further consultation on the final strategy was undertaken in Sept-Nov 2020. Just over a fifth of households in the city are housed in the PRS, so it is an important part of the housing market. Non-student households make up approximately 80% of the PRS market, and of these, 37% receive some financial support to pay their rent. The survey results showed that 70% of the tenants who responded stated that they had no plan to move out of the PRS and did not have the ability to (either to become an owner occupier or to move into social housing). Tenants stated that the most important factors in a rental property were safety, affordability, and security of tenure. With regard to Landlords, approximately three quarters of those that responded stated that they were not a landlord as their main job, but were either doing it to supplement their income or they were "accidental landlords". For the landlords that partook in the survey, the priorities they stated were to have a reliable tenant, safety of the property, and ease of being able to rent the property. Learning from this research has informed the proposals outlined in the strategy.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A1-Crime** - Will it make our city safer?



In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact [Lisa.Wills@portsmouthcc.gov.uk](mailto:Lisa.Wills@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How will you measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A2-Housing** - Will it provide good quality homes?



In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

To achieve an active and well-functioning Private Rental Sector which works fairly for all. For the Private Rental Sector to be seen as a desirable type of tenure which meets the needs of those who use it, with support being focused on those who need it most. The proposals focus on those in the PRS that need assistance the most; mainly those who are living in the PRS but not through choice and have no prospect of moving out of it. The strategy specifically outlines that it will use regulations to support those that request it, without adversely affecting those that need help by adding disproportionate burden. The actions also focus on providing education and support for how to be a good Landlord or good tenant. This includes working with landlord and tenant groups to provide workshops, and to work with stakeholders to understand the services that could be provided to assist.

How are you going to measure/check the impact of your proposal?

Consultation with stakeholders, and the development of a multi-agency partnership group will oversee this strategy and its outcomes. This will implement measures to check and understand the impacts.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A3-Health** - Will this help promote healthy, safe and independent living?



In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact [Dominique.Letouze@portsmouthcc.gov.uk](mailto:Dominique.Letouze@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cons-114.86-health-and-wellbeing-strategy-proof-2.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Unsuitable and insecure housing are among the wider determinants for poor health outcomes. The aim of the schemes is to improve quality of life for those currently struggling to access a suitable PRS home.

How are you going to measure/check the impact of your proposal?

Measures for the demand for the councils regulatory functions of the PRS will be monitored, as well as demand for educational services for landlords and tenants.

**A - Communities and safety**

Yes

No

Is your policy/proposal relevant to the following questions?

**A4-Income deprivation and poverty**-Will it consider income deprivation and reduce poverty?



In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact [Mark.Sage@portsmouthcc.gov.uk](mailto:Mark.Sage@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>

<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The strategy identifies actions which would aim to make the PRS more secure and affordable. Reducing the financial exclusion of residents who are less able to access suitable homes due to lack of financial resources.

How are you going to measure/check the impact of your proposal?

Monitor reasons why those assisted were previously unable to access a suitable PRS home, and their housing and financial circumstances. It is not possible to identify which other households are interested in a home and fail to secure it, and therefore there is no identified means for the council to measure the potential negative impact.

**A - Communities and safety**

Yes

No

Is your policy/proposal relevant to the following questions?

**A5-Equality & diversity** - Will it have any positive/negative impacts on the protected characteristics?



In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership,socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact [gina.perryman@portsmouthcc.gov.uk](mailto:gina.perryman@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

This strategy is not specifically targeted towards any of the protected characteristic groups. However, some of those groups are more likely to be financially disadvantaged, including people with disabilities, and some black and minority ethnic groups. By tackling one of the impacts of financial exclusion (inability to secure suitable housing), this strategy will help to promote equality for beneficiaries to any actions which make the PRS more accessible or affordable. There is some evidence that people with physical disabilities are disadvantaged in the private rented sector, where landlords and letting agencies rarely provide information on the accessibility of homes for rent, and where some landlords are unwilling to allow their properties to be adapted to meet tenants' needs (eg fitting ramps, grab rails, accessible bathrooms etc).

How are you going to measure/check the impact of your proposal?

Gather and monitor equalities data for any schemes introduced which help those who are financially disadvantaged, to understand whether people with protected characteristics are requesting and receiving support.

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B1-Carbon emissions** - Will it reduce carbon emissions?

In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Around 30% of all direct greenhouse gas (GHG) emissions in Portsmouth are due to energy used in the home. However, the strategy is aimed at assisting people who already live in Portsmouth and therefore these emissions already exist. There is no evidence that helping someone move to a suitable PRS home will either increase or reduce GHG emissions. Some of the proposed actions from the strategy include inspections of property conditions. Properties in poor repair are likely to have poor EPC ratings, by addressing the conditions of these properties, some may become more efficient to heat or gain improved thermal efficiency.

How are you going to measure/check the impact of your proposal?

Record and monitor the deficiencies found with properties which are inspected due to poor repair.

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B2-Energy use** - Will it reduce energy use?

In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact [Triston.thorn@portsmouthcc.gov.uk](mailto:Triston.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

<https://democracy.portsmouth.gov.uk/documents/s24685/Home%20Energy%20Appendix%201%20-%20Energy%20and%20water%20at%20home%20-%20Strategy%202019-25.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

As above, the council can identify whether properties in poor repair could be improved with regard to the energy efficiency of their home. Referrals can also be made to the council's LEAP home energy visit scheme to help eligible households to make their homes warmer and more energy and water efficient.



How are you going to measure/check the impact of your proposal?  
Record and monitor the deficiencies found with properties which are inspected due to poor repair. Record the referrals to the LEAP scheme to improve the energy and water efficiency of the home.

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B3 - Climate change mitigation and flooding**-Will it proactively mitigate against a changing climate and flooding?

In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

There are no identified negative impacts on climate change or flooding mitigation.

How are you going to measure/check the impact of your proposal?  
Not applicable

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B4-Natural environment**-Will it ensure public spaces are greener, more sustainable and well-maintained?

In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

There are no identified negative impacts on public spaces.

How are you going to measure/check the impact of your proposal?

Not applicable

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B5-Air quality** - Will it improve air quality?

In thinking about this question:

- How will it reduce motor vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact [Hayley.Trower@portsmouthcc.gov.uk](mailto:Hayley.Trower@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

There are no identified negative impacts on air quality.

How are you going to measure/check the impact of your proposal?

Not applicable

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B6-Transport** - Will it improve road safety and transport for the whole community?

In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it allocate street space to ensure children and older people can walk and cycle safely in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact [Pam.Turton@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

There are no identified negative impacts on transport.

How are you going to measure/check the impact of your proposal?  
Not applicable

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B7-Waste management** - Will it increase recycling and reduce the production of waste?



In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact [Steven.Russell@portsmouthcc.gov.uk](mailto:Steven.Russell@portsmouthcc.gov.uk) or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

This strategy will not increase recycling or reduce the production of waste.

How are you going to measure/check the impact of your proposal?  
Not applicable

**C - Regeneration of our city**

Yes

No

Is your policy/proposal relevant to the following questions?

**C1-Culture and heritage** - Will it promote, protect and enhance our culture and heritage?

In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact [Claire.Looney@portsmouthcc.gov.uk](mailto:Claire.Looney@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

There are no identified negative impacts on culture and heritage.

How are you going to measure/check the impact of your proposal?  
Not applicable

**C - Regeneration of our city**

Yes

No

Is your policy/proposal relevant to the following questions?

**C2-Employment and opportunities** - Will it promote the development of a skilled workforce?

In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The proposed strategy will not create any employment beyond the specific posts needed to deliver the scheme.

How are you going to measure/check the impact of your proposal?  
Not applicable

Is your policy/proposal relevant to the following questions?

**C3 - Economy** - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?

In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth in the city?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The strategy is not expected to have a big impact on the overall PRS market in Portsmouth, as it is predominately aimed at assisting those who are already in the PRS but struggling.

How are you going to measure/check the impact of your proposal?  
Not applicable.

**Q8 - Who was involved in the Integrated impact assessment?**

Patrick Lee. Interim Head of Private Sector Housing  
Paul Fielding. Assistant Director - Housing

**This IIA has been approved by:** James Hill, Director of Housing, Neighbourhood and Building Services

**Contact number:** 023 9283 4223

**Date:** 29/12/2020

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# Agenda Item 6



Portsmouth  
CITY COUNCIL

<b>Title of meeting:</b>	Cabinet Member for Housing and Preventing Homelessness
<b>Date of meeting:</b>	25 January 2021
<b>Subject:</b>	Pathway for rough sleepers and purchase of associated support and property
<b>Report by:</b>	James Hill, Director for Housing, Neighbourhood and Building Services
<b>Report Authors:</b>	Paul Fielding - Assistant Director for Housing Jo Bennett - Head of Business Relationships, Growth & Support Sharon George - Operational Support - Rough Sleeper Adviser
<b>Wards affected:</b>	All
<b>Key decision:</b>	Yes
<b>Full Council decision:</b>	No

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## 1. Purpose of report

- 1.1. To present and seek approval for the long-term change in the pathway model of support for rough sleepers to leave the streets and find accommodation.
- 1.2. To seek approval to use government grants to procure support services needed to safely and efficiently operate the accommodation.
- 1.3. To seek approval to use government grants to support the acquisition of a portfolio of accommodation (formerly student accommodation) which will be repurposed for use within the pathway.

## 2. Recommendations

- 2.1. That the Cabinet Member for Housing and Preventing Homelessness approves the new pathway model to support rough sleepers in the city, as outlined in section 4 of the report.
- 2.2. That the Cabinet Member for Housing and Preventing Homelessness approves the use of the Next Step Accommodation Programme (NSAP) grant to procure support services for the pathway for 2021-2024, as outlined in section 4 of this report.



- 2.3. That the Cabinet Member for Housing and Preventing Homelessness approves capital expenditure of £7,311,200 in addition to the NSAP grant funding of £2,152,100 to purchase a portfolio of accommodation (formerly student accommodation) comprising three properties, known as The Registry, St Michaels Road; 155-157 Elm Grove and Kingsway House, Elm Grove, creating accommodation for 110 self-contained rooms (bed spaces) for rough sleepers.
- 2.4. That the Cabinet Member for Housing and Preventing Homelessness delegates authority to the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources & S151 Officer to negotiate the acquisition of the portfolio of accommodation and to commission the necessary works to ensure the buildings are fit for purpose to accommodate rough sleepers, whilst ensuring that the schemes remain financially viable.

### 3. Background

- 3.1. At the start of December 2020 there were approximately 20-25 people still sleeping rough on the streets of Portsmouth. Various City Council teams and service providers are aware of the rough sleeping individuals and work with them to understand their personal barriers to taking up an accommodation place. Reporting of any persons that are street homeless is encouraged via the app [www.streetlink.org.uk](http://www.streetlink.org.uk)
- 3.2. There are others who are on the street who are not sleeping rough, but may be street begging. For this housing pathway only those who do not have other accommodation are considered for accommodation support. A balanced, multi-agency response, based on their individual circumstances, exists for this group.
- 3.3. Portsmouth City Council has, in recent years under various administrations, looked to find innovative ways of helping those who are street homeless and sleep rough. The history of these services, along with how they had changed due to the COVID-19 pandemic, was reported to Cabinet on 14 July 2020. The decisions made by Cabinet as a result of that report were wide and far reaching, and instructed officers to develop an interim and long-term pathway model, apply to the Ministry for Housing Communities and Local Government (MHCLG) for suitable funding and find suitable accommodation options for both the medium and long-term.
- 3.4. During the second half of 2020 officers from across the council worked together to progress those actions. This work included oversight from the administration and the Portsmouth City Rough Sleeping and Homelessness Partnership Group (PCRSHPG).
- 3.5. The in-principle outcome of the bid for MHCLG's Next Steps Accommodation Programme (NSAP) funding was reported to Cabinet on 1 December 2020. Since that report it has been confirmed that the City Council secured all the funding bid for, providing it can acquire and make available all of the property outlined within the bid and deliver the support services required to operate them for three years.



3.6. The funding for the long-term pathway is:

3.6.1 Capital funding to support the purchase of properties within the pathway of £2,152,100.

3.6.2 Revenue funding to support the operation of the pathway within the sites purchased by the capital of £2,456,303 for the period 31 March 2021 - 31 March 2024.

3.7 The report outlines below how the NSAP funding is recommended to be used to provide an accommodation and support model.

#### **4 New Pathway for Rough sleepers**

4.1 As COVID-19 restrictions were relaxed during the summer of 2020, individuals were moved from the emergency hotel accommodation into:

- 4.1.1 two accommodation blocks previously used as student accommodation
- 4.1.2 private rented accommodation, including HMOs provided through the Housing Network, and
- 4.1.3 previous night bed accommodation, reconfigured to ensure COVID-19 safety.

4.2 Support has been offered on a 24/7 basis. This has enabled officers, working with the current support providers, to learn how to address the causes of rough sleeping and to respond to their impacts. They have also learned how to operate these facilities safely and securely, and create a pathway where individuals can move through to an appropriate outcome, which for many is to sustain a tenancy either in the private rented sector or take up a social tenancy.

4.3 Working to the City Council's Accommodation First not Accommodation Only (AFNAO) model - which is the foundation of the Homelessness and Rough Sleeping Strategies - the plan is to offer all rough sleepers the opportunity to engage with the Housing Needs, Advice and Support (HNAS) Service to make a homeless application. This enables an initial assessment and to produce a Personalised Housing Plan (PHP) which will encompass all of the needs of the individual. Referral into HNAS can be made by the individual, Outreach Services and other statutory and voluntary agencies. It is recognised that some individuals will choose not to engage and, in this scenario, we will robustly offer support via our Outreach teams.

4.4 Following assessment, the most appropriate accommodation and support to meet the needs of the individual can be offered. The intention is to be able to offer immediate accommodation which will be included in this newly formed 'Rough Sleeping Pathway' whilst a rapid assessment takes place. Accommodation can be offered during the assessment phase. The Rough Sleeping Pathway accommodation will include the following elements:

- No Second Night Out accommodation
- Self-contained accommodation across three settings
- Support to access properties in the Private Rented Sector
- Navigators and 'Team around the accommodation'

- 4.5 The learning from previous Rough Sleeper Initiative (RSI) funded activities has influenced the creation of 'No Second Night Out' accommodation, where a rapid insight into what has led a person to the streets can be understood and in some cases resolved so the individual can return back to their previous accommodation. This is particularly relevant in cases of parental eviction, prison release and hospital discharge.
- 4.6 Following the completion of the assessment, the most appropriate intensive support accommodation will be offered. All accommodation is self-contained and support ranges from low level to high level within three properties, which are outlined in section 5 of this report. The learning from the emergency and interim phases has supported the implementation of the AFNAO and provides consistent and long-term support as individuals move through the Rough Sleeping Pathway.
- 4.7 HNAS has been working collaboratively with Public Health England (PHE) and health providers to ensure that service users understand the advice and guidance around maintaining good health and restrictions related to COVID-19. Everyone newly entering the accommodation is offered a health screening, including temperature checks. In the accommodation the use of appropriate Personal Protective Equipment (PPE) is utilised by support workers to minimise the risk of transfer of infection. Regular room inspections also take place and enable discussions around hand hygiene and cleanliness and well as the general management of accommodation.
- 4.8 To operate the pathway effectively, the intensive support accommodation requires on-site support services on a 24 hour, seven day a week basis. It is proposed that the funding obtained from the NSAP is used to procure the support service contracts for the accommodation. Procurement will take place during 2021 with the aim being that new support service contracts will begin in autumn 2021 and run until the end of March 2024. It will be the role of the PCRSHPG to identify how these services can be funded beyond this point.
- 4.9 The aim of the procurement is to make the service as flexible as possible to ensure the funding available is used in the most effective way. It is intended that the support is offered both in the accommodation blocks but also in the community once individuals have moved into settled accommodation.
- 4.10 The intensive support accommodation is not permanent, but a resting point for the individual to feel settled and gain the support they need. Service users may only need a few weeks to prepare to move on, whilst others may need a few months. During the stay in this accommodation support will be provided and assessment of progress will be made in conjunction with the service user.

- 4.11 At a suitable point, as assessed by the wrap around support, service users will be supported in moving to longer-term accommodation. This is likely to be accessing the private rented sector or long term supported living. The choice to accept this accommodation, or leave the pathway, will be with the service user.
- 4.12 The City Council will continue to work with landlords in the private rented sector and offer support to the landlord and to the tenant. This model has been piloted during 2020 and there has been success in tenants being able to sustain long-term settled accommodation and in landlords working with us to achieve this.
- 4.13 The successful Rough Sleeper Initiative (RSI) funded Navigator Team will be embedded into the support. All individuals in accommodation will have a named Navigator to offer support around achieving the skills needed to sustain settled accommodation. The intention is that support will be ongoing for as long as it is needed whilst within the pathway. Navigators will be trained in 'Understanding and Working with Trauma'.
- 4.14 The development of a 'Team around the Accommodation' model is also a key part of this pathway. The purpose of this is to include all statutory and voluntary agencies who can support individuals with specific needs, with the resource 'pulled' upon when needed. The 'Team Around the Accommodation' members will include Adult Social Care, Children's Social Care, Recovery Services, Probation Services, Health based services, local voluntary sector organisations and our commissioned providers. Some of the work undertaken by the services is outlined in Appendix 1, and this will be reviewed and responded to as needs change.
- 4.15 The model is further enhanced with the announcement that Portsmouth will receive funding to provide support for individuals accessing this accommodation that have drug and alcohol addictions. The £682k received for 2021/22 will be used to support a specialist staff team to be integrated with the NSAP accommodation and support model and outreach services for those that remain street homeless.
- 4.16 Oversight, advice and guidance is provided by the Portsmouth City Rough Sleeping and Homelessness Partnership Group (PCRSHPG) which has representation from a wide range of voluntary and statutory sector partners and individuals who have experienced rough sleeping, as well as councillor representation from all groups. The City Council's Street Homelessness and Rough Sleeping Strategy which underpins the work of the PCRSHPG is accountable to the city's Health and Wellbeing Board and the Housing and Preventing Homeless cabinet portfolio.

## 5 Property acquisition

- 5.1 As part of the interim plan, the City Council leased the use of 60 HMO rooms and two intensive support accommodation properties on Elm Grove and St Michael's



Road. These intensive support accommodation were previously used as student accommodation and leased on a 12 month basis whilst a more permanent solution was considered. A third property, Kingsway House, also on Elm Grove, had been identified for the pathway but was not available for use at the time.

- 5.2 As part of the lease discussions with the current owners of the three identified interim properties, confidential discussions were also had regarding options for the possible purchase of the properties. These negotiations were subject to a Non-Disclosure Agreement (NDA) until early November 2020.
- 5.3 On the 9<sup>th</sup> November 2020 the NDA was released allowing disclosure in this report that the NSAP long term funding enables the discussion with the property owner to continue involving the purchase by the City Council of the two properties located in Elm Grove, namely 155 - 157 Elm Grove (19 bed spaces) and Kingsway House (50 bed spaces), and the Registry Building at St Michael's Road (41 bed spaces).
- 5.4 Kingsway House, Elm Grove, Southsea, Portsmouth, PO5 1LJ has not been leased as part of the interim housing solution due to various building issues that need to be resolved prior to acquisition. The property can house 50 people and will provide resilience in the event of increased demand in the overall pathway
- 5.5 Full pre-acquisition surveys have been carried out by our Planned Project team to ensure we understand these buildings prior to acquisition.
- 5.6 The properties will be purchased using the NSAP capital funding to support borrowing to bring the properties within the Housing Revenue Account. (HRA) They will then be leased either to the Housing General Fund or support providers to manage.
- 5.7 Prior to permanent use, and therefore purchase, a change in planning permission is required. Planning applications were submitted on 9th December 2020 and due to be presented to the City Council's Planning Committee in late February or early March 2021. If planning permission is not received for these buildings, purchase will not be viable and no alternatives will be possible within the timescales set out by the NSAP bid. This will result in there being no accommodation for the pathway and the loss of the grant funding.
- 5.8 The NSAP project team is working towards a tight deadline in delivering these properties, supported by Homes England.

## 6 Reasons for recommendations

- 6.1 The experience of bringing 'Everybody In' as a result of the COVID-19 pandemic has given an opportunity to change the services available to rough sleepers. The demand for places for the city's homeless and rough sleepers to sleep and receive support increased due to the pandemic. However there is evidence to



show this will not decrease and a desire to eradicate homelessness and rough sleepers is a priority for the city.

- 6.2 By offering accommodation which can be accessed 24/7 and support, the chances of individuals taking the steps to a more stable lifestyle and sustainable accommodation will be increased. The pathway will provide and equip them with the best possible skills to sustain settled accommodation. This includes support around addiction behaviours, financial management and living skills. Encouragement is also offered around education, employment and training.
- 6.3 The proposed Pathway, supported by Government grant funding, enables this change which can support individuals as well as addressing rough sleeping on the streets of Portsmouth.
- 6.4 The existing support provider contracts were not designed for this new pathway. Therefore existing contracts will need to be extended for a short period whilst new contracts are procured.
- 6.5 The purchase of property for the intensive support accommodation is the most cost- effective way to provide the accommodation needed, as it ensures that the City Council can provide that for use to the successful support provider(s).
- 6.6 The ability to provide more suitable accommodation to some of our most vulnerable clients will alleviate the use of hotels and bed and breakfast accommodation which can be expensive.
- 6.7 By purchasing the three properties outlined in section 5, the City Council will be able to provide the necessary types of accommodation, in suitable locations and within the timescale to meet the requirements for the NSAP funding process.

## **7 Integrated impact assessment**

- 7.1 The IIA for this report has been completed and the noted positive impacts of providing this accommodation and support model noted. Further consideration of the IIA will form part of the procurement and tendering exercise for the support contract.

## **8 Legal implications**

There are no legal implications in this report given that the basis of the proposed plan is something that falls within the general competency of the Local Authority and that the basis of proposed purchases along with service use is set to meet the needs of those most requiring assistance. There is a clear set out as to reasoning and risk that would enable delivery of service in a risk mitigated way.

## **9 Director of Finance's comments**

- 9.1 The operation of the pathway for the period 1 April 2021 to 31 March 2024, as outlined in section 4 of this report, can be funded from the NSAP revenue grant of £2.46m that has been awarded.
- 9.2 The NSAP capital funding of £2.15m has been awarded to support the purchase of three properties within the pathway, as detailed in the report. An estimated additional capital expenditure of up to £7.3m funded from borrowing will be required to purchase and refurbish the properties. It is proposed that a capital expenditure budget of £9.46m is added to the Housing Revenue Account Capital Programme, which is to be approved by full Council in February 2021.
- 9.3 A financial appraisal has been carried out that assess the financial implications over a 30 year period. It shows that the cost associated with borrowing, maintenance and running costs for the three buildings will be met from the Housing Benefit receipts relating to the occupancy of the properties. A revised financial appraisal, using the latest running cost information and the negotiated purchase prices, will need to be completed and approved by the Director of Finance and Resources & S151 Officer prior to the finalisation of the purchases to ensure that the original assumptions are correct.

.....  
Signed by: **James Hill**  
**Director for Housing, Neighbourhood and Building Services**

**Appendices:**

Appendix 1 - Support and Health Services provided (inserted below)

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>
Cabinet report 14 July 2020	<a href="#">Supporting Rough Sleepers Report.pdf (portsmouth.gov.uk)</a>
Cabinet report 1 December 2020	<a href="#">Cabinet 1 Dec 2020 - Update on the Rough Sleeping Work.pdf (portsmouth.gov.uk)</a>
Homeless strategy	<a href="#">Portsmouth City Council Homelessness Strategy</a>
Street Homelessness and Rough Sleeping Partnership Strategy	<a href="#">Street-Homelessness-and-Rough-Sleeping-Partnership-Strategy-2018-2020.pdf (portsmouth.gov.uk)</a>
Planning application link	Not yet available



The recommendation(s) set out above were approved/ approved as amended/ deferred/  
rejected by ..... on .....

.....  
Signed by:

## Appendix 1

During the interim accommodation phase in late 2020 a wide range of health and other support services were provided as follows

- Public Health undertook a rapid participatory health needs assessment with homeless residents of emergency accommodation during the summer to better understand their health needs and inform the response
- Multi-disciplinary Homeless healthcare team providing in-reach to homeless settings, supporting:
  - Health screening of residents
  - Physical and mental health assessments to understand, prevent and treat long-term health conditions, preventing future hospital admissions
  - Planning for flu vaccination programme amongst this group
  - GP and nurse practitioner drop-in clinics
  - Nurse support for residents with Covid-19 symptoms
  - Link with homeless outreach to support street homeless
  - Continuity of care for patients discharged from hospital
  - Supporting homeless with Covid-19 testing, using the stock of kits Portsmouth has available for this group
  - Training, advice and guidance to housing staff on physical, mental health and creating a psychologically informed environment
  - Link work with patients' existing GP practices to ensure joined up care
  - Providing in-reach into our main acute hospital to support the discharge of homeless clients into suitable accommodation for their needs
  - Drug & alcohol treatment in-reach and outreach
  - Smoking cessation support and Vaping starter kits provided via in-reach to homeless by the Wellbeing Service
  - Blood borne virus screening undertaken



# Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
  - Communities and safety
  - Regeneration and culture
  - Environment and public space
  - Equality & - Diversity This can be found in Section A5

**Directorate:**

HNB

**Service, function:**

Homelessness and Rough Sleeping

**Title of policy, service, function, project or strategy (new or old) :**

Supporting rough sleepers and the hidden homeless: options for the way forward from the emergency accommodation used as part of COVID-19

**Type of policy, service, function, project or strategy:**

- Existing
- New / proposed
- Changed

**What is the aim of your policy, service, function, project or strategy?**

To provide temporary accommodation to people who have been sleeping rough on the streets whilst they gain support needed to change their lives and move into more permanent accommodation.

Has any consultation been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

Consultation has been undertaken twice with those local residents who live in the vicinity of the proposed new properties. There has also been feedback obtained from local ward councilors and the multi-agency Portsmouth City Rough Sleeping and Homelessness Partnership Group as well as informal feedback from service users of the interim service. The outcomes were that there is very little feedback from members of the public (less than 20 out of over 2000 residents contacted) about the services, but where there is it is equally split between positive support and negative desire not to have the the service in the area. Consultation has helped to ensure that on site support workers handle issues that arise as quickly as possible and does inform the overall pathway

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A1-Crime** - Will it make our city safer?



In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact [Lisa.Wills@portsmouthcc.gov.uk](mailto:Lisa.Wills@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Previous to Covid 19, those who were rough sleeping or homeless without a priority need for accommodation were supported through the Day and night service, which offered 57 beds. If a bed was not available rough sleepers were on the streets or "hidden homeless" such as sofa surfing.

During the initial emergency period of COVID-19 a bedroom with a self-contained bathroom has been available for anyone who wants one and has enabled rough sleepers to exit the streets in to a safer form of accommodation.

The proposed long-term pathway model is that rough sleepers will be assessed and provided with accommodation with an appropriate level of support whilst they get their lives into a stable place that enables them to move to less support accommodation and eventually be in self contained accommodation without support.

This pathway model will reduce crime by offering service users not just a bed for the night, but their own accommodation which they manage and can be in 24/7. The aim is to reduce rough sleeping on the streets, which will reduce the fear of crime, both amongst all residents and specifically the rough sleeping community who will have somewhere more secure to stay.

Public Health are heavily involved in the plan to help prevent substance misuse issues and support any physical and emotional wellbeing health needs.

Children's Social Care are included to ensure that Unaccompanied underage asylum seekers are supported fully

The system has had the involvement of the Police since the beginning and this is helping them in supporting victims of crime and dealing with those in this cohort who have been offending.

How will you measure/check the impact of your proposal?

Crime statistics

Activity of the Community Wardens when dealing with Rough Sleeper issues

Police feedback

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A2-Housing** - Will it provide good quality homes?



In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

<b>A - Communities and safety</b>	<b>Yes</b>	<b>No</b>
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Is your policy/proposal relevant to the following questions?

<b>A3-Health</b> - Will this help promote healthy, safe and independent living?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact [Dominique.Letouze@portsmouthcc.gov.uk](mailto:Dominique.Letouze@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cons-114.86-health-and-wellbeing-strategy-proof-2.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

As in A1 this plan is aimed at helping those who have been street homeless or rough sleeping to move into an accommodation first model where they will be supported into a property. this will have the support of Public Health and Adult Social Care to provide intensive support where needed. It will improve the lives of those who have been homeless and encourage them to make healthier lifestyle choices which will impact on their physical and emotional well-being.

How are you going to measure/check the impact of your proposal?

Public Health assessments

<b>A - Communities and safety</b>	<b>Yes</b>	<b>No</b>
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Is your policy/proposal relevant to the following questions? **Page 171**

**A4-Income deprivation and poverty-Will it consider income deprivation and reduce poverty?**



In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact [Mark.Sage@portsmouthcc.gov.uk](mailto:Mark.Sage@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>  
<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

This plan is focused on rough sleepers and former rough sleepers that the city council is accommodating in the pathway. The vast majority are in poverty, single adults who need support to rebuild their lives. The plan will put in place support to obtain the appropriate benefits to enable a tenancy to be sustained. Users of the service will be signposted to places where they can be supported to access training and opportunities for employment.  
 All individuals who choose to use the service will be offered support from a range of providers including the voluntary sector which will be appropriate to their needs, this will contribute to the establishment of relationships which will mitigate any negative impact.

How are you going to measure/check the impact of your proposal?  
 Number of people supported into sustainable accommodation  
 Number of people supported into education, employment or training

**A - Communities and safety**

Yes

No

Is your policy/proposal relevant to the following questions?

**A5-Equality & diversity - Will it have any positive/negative impacts on the protected characteristics?**



In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership,socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact [gina.perryman@portsmouthcc.gov.uk](mailto:gina.perryman@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B1-Carbon emissions** - Will it reduce carbon emissions?

In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B2-Energy use** - Will it reduce energy use?

In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact [Triston.thorn@portsmouthcc.gov.uk](mailto:Triston.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

<https://democracy.portsmouth.gov.uk/documents/s24685/Home%20Energy%20Appendix%201%20-%20Energy%20and%20water%20at%20home%20-%20Strategy%202019-25.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B3 - Climate change mitigation and flooding**-Will it proactively mitigate against a changing climate and flooding?

In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B4-Natural environment**-Will it ensure public spaces are greener, more sustainable and well-maintained?

In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B5-Air quality** - Will it improve air quality?

In thinking about this question:

- How will it reduce motor vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact [Hayley.Trower@portsmouthcc.gov.uk](mailto:Hayley.Trower@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B6-Transport** - Will it improve road safety and transport for the whole community?

In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it allocate street space to ensure children and older people can walk and cycle safely in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact [Pam.Turton@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?



Is your policy/proposal relevant to the following questions?

**B7-Waste management** - Will it increase recycling and reduce the production of waste?

In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact [Steven.Russell@portsmouthcc.gov.uk](mailto:Steven.Russell@portsmouthcc.gov.uk) or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**C - Regeneration of our city**

Yes

No

Is your policy/proposal relevant to the following questions?

**C1-Culture and heritage** - Will it promote, protect and enhance our culture and heritage?



In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact [Claire.Looney@portsmouthcc.gov.uk](mailto:Claire.Looney@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The aim of the plan is to create a pathway to a system where rough sleepers do not need to be on the streets. This will reduce rough sleeping in shopping and tourism areas and encourage people to feel more safe when in the city.

How are you going to measure/check the impact of your proposal?  
Regular counts of people sleeping on the streets and continued engagement with Outreach/Floating Support Services

**C - Regeneration of our city**

Yes

No

Is your policy/proposal relevant to the following questions?

**C2-Employment and opportunities** - Will it promote the development of a skilled workforce?



In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**C3 - Economy** - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?

In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth in the city?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**Q8 - Who was involved in the Integrated impact assessment?**

Paul Fielding

This IIA has been approved by:

Contact number:

Date:

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# Agenda Item 7



## **THIS ITEM IS FOR INFORMATION ONLY**

**(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)**

<b>Title of meeting:</b>	Cabinet Member for Housing and Preventing Homelessness
<b>Subject:</b>	Full Fibre To The Home - City Fibre.
<b>Date of meeting:</b>	25 <sup>th</sup> January 2021
<b>Report by:</b>	James Hill - Director of Housing, Neighbourhood and Building Services
<b>Report Author:</b>	Meredydd Hughes - Assistant Director of Building Services
<b>Wards affected:</b>	All

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### **1. Requested by Cllr Darren Sanders, Cabinet Member for Housing and Preventing Homelessness**

#### **2. Purpose**

- 2.1 The report is for information only and provides the Cabinet Member for Housing and Preventing Homelessness with an update on the progress of the Full Fibre to the Home installation project by CityFibre in Portsmouth and detail the Impact on HRA communal blocks. The information provided will be as follows:
- 2.1.1 Provide the background to the city-wide Full Fibre installation programme
  - 2.1.2 Outline the benefits the installation of the Full Fibre network to HRA properties will have on residents and the management of the buildings
  - 2.1.3 Outline the next steps.

#### **3. Information Requested**

##### Background

- 3.1 On 13th March 2018 as part of the Chancellor's Spring Statement it was announced that Portsmouth City Council were successful in securing up to £3.9m to implement an Ultrafast Full Fibre Network, as part of the Full Fibre Network Programme (LFFN) operated by the Broadband Development UK (BDUK) programme within the Department for Digital, Media, Culture and Sport (DCMS).

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- 3.2 The grant agreement relating to the local LFFN in respect of the Solent Network framework project was signed by Portsmouth City Council and The Secretary of State for Digital, Culture, Media and Sport on 31st October 2019 with an agreed grant cap of £3.8m.
- 3.3 The Council tendered the opportunity to provide a 'dark fibre' network across the City, which PCC accesses via a long term 'Indefeasible right of use' agreement. The dark fibre network is a passive optical fibre network that is installed and maintained by an operator. The network will act as major enabling infrastructure for PCC IT requirements. Once the fibre is "lit up", it will be used to connect as many PCC operational sites as possible, within the City and in Havant. The benefits of a dark fibre network is that it allows the Council to increase or decrease the services required at any given time with no associated cost. Dark fibre also allows future proofed, unrestricted connectivity solutions by way of an open access infrastructure.
- 3.4 CityFibre was the chosen Service provider for the initial Framework Agreement award and the contract to design, build, operate and own the full fibre network and provide Fibre to our premises between Portsmouth City Council and CityFibre was signed on 31<sup>st</sup> October 2019.
- 3.5 CityFibre's contract is to connect all 184 mandatory sites within the budget allocated from LFFN funding. These sites include:
- 3.5.1 Portsmouth Schools
  - 3.5.2 Business and Enterprise centres
  - 3.5.3 HRA operational and sheltered housing sites
  - 3.5.4 Community Centres
  - 3.5.5 Sports Centres
  - 3.5.6 CCTV locations
  - 3.5.7 Children's Homes
- 3.6 Progress of the contract is reported and presented to the LFFN Corporate Governance and Oversight Board which meets on a regular basis. At the last meeting on 9<sup>th</sup> December 2020, it was reported that Phase One of the project was ongoing despite the Covid-19 pandemic and would be completed and services live by November 2021.
- 3.7 CityFibre is investing £32 million of capital investment to futureproof Portsmouth's digital infrastructure and provide residents and private businesses with access to reliable, high speed and high capacity digital services. This Fibre to the Home (FTTH) project commenced in March 2020 and will connect approximately 98,000 homes and businesses across the City when it is completed in late 2024.

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- 3.8 CityFibre presented to a Portsmouth Ward Councillor briefing on Building Gigabit Cities in August 2020 the benefits of full fibre connectivity to Portsmouth residents. The presentation highlighted the following:
- 3.8.1 The planned works programme of installations and resident engagement and communication.
  - 3.8.2 Local job opportunities provided to Portsmouth residents via CityFibre's build partners CCN Communications Ltd.
  - 3.8.3 A full team of CityFibre staff deployed locally to manage the build rollout and customer enquiries.
  - 3.8.4 CityFibre working with COLAS with regards to Highways work / permits
  - 3.8.5 At present the build programme is planned for the entire island of Portsmouth, and to go as far as Queen Alexandra Hospital in the North, Portchester in the West and Farlington to the east.
- 3.9 As part of CityFibre's £32Million investment in Portsmouth it proposes to install a Full Fibre infrastructure across Portsmouth City Council's retained Housing Stock of communal blocks in Portsmouth.
- 3.10 The UK Government has set a target that half of UK homes should have a full fibre-optic broadband connection by 2025 and all properties should be connected by 2033. To facilitate the installation of full fibre infrastructure and connection across the UK the Government introduced new obligations on landlord/property owners to grant permission to broadband suppliers to install their cables onto properties.

### What is Full Fibre and why is it important?

- 3.11 Full fibre is an internet connection entirely served by a fibre optic cable, from the exchange all the way to the office or home. This is known as Fibre to the Premises (FTTP).
- 3.12 At present only around 14% of households in England have access to full fibre networks. Older networks run on copper wiring, or a mix of copper and fibre, not "full fibre". This process, known as Fibre to the Cabinet (FTTC), can offer a speed increase but these speeds diminish the further the final connection to the property is from the cabinet.
- 3.13 Full Fibre will see existing cable replaced with fibre optic cabling and is considered the highest standard for internet connections as it is fast (internet speeds of up to 1Gbps / 1,000 Mbps), reliable and futureproofed. It will cope with growing demands and won't need to be replaced or upgraded in the foreseeable future.
- 3.14 Due to faster internet connection speeds Full Fibre should make it easier to work and learn from home and allows households to use data-intensive services such as

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gaming, video calls and streaming services across multiple devices without a drop in service.

### Benefits to Residents of Portsmouth

- 3.15 For residents living in HRA communal blocks FfTH will bring the following benefits:
- 3.15.1 Residents will be able to access 1000Mbps broadband services directly into their homes, improving user experience with seamless multi device streaming, enabling everyone to watch what they want.
  - 3.15.2 Flexible home working and e-learning opportunities with exceptionally fast speed online file sharing and video conferencing.
    - Enabling children to be better equipped to do homework and learn independently online
    - Offering improved opportunities for adults to continue life-long learning
  - 3.15.3 Improved access to online shopping, banking and public services.
  - 3.15.4 Supporting the adoption of new technologies, such as Amazon and Google smart speakers to control smart heating, lighting and security.
- 3.16 These benefits for residents will complement those arising for the Portsmouth City Council HRA from the roll out of LFFN Public Sector Network (PSN) to our operational sites and will assist where there is a particular need to control building management systems remotely, for example communal gas boilers, lighting, CCTV, lifts, alarm systems, water storage tanks and boosted water pumps, as well as a number of other building management services which may require monitoring from a compliance perspective.

### HRA Full Fibre to the Home Next steps

- 3.17 Portsmouth City Council will enter into a Non-Exclusive Access Wayleave Agreement with CityFibre. This enables CityFibre to have access rights to the City Council's HRA property assets to install and maintain a full fibre network in the common areas of our buildings.
- 3.18 The Council will work with CityFibre to enable the installation of a full fibre infrastructure to our HRA communal properties. HNB Building Services will ensure that the works are completed to the highest standards in accordance with best practice, are safe and compliant with all regulations and legislation, and are carried out in a way that minimises disruption to residents.
- 3.19 The installation will come at no cost to the Council, residents or leaseholders as all of the new full fibre infrastructure will be funded and managed by CityFibre.
- 3.20 Once the infrastructure is completed and the connections "lit up", residents and leaseholders will be able to take up or switch to a package offered by the new



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internet service providers. There will be no obligation for residents or leaseholders to switch to a new provider and they are free to continue with their existing contract providers.

3.21 Although CityFibre commenced its FTTH installation project across Portsmouth in March 2020 no programme of works for the installation of full fibre to PCC's HRA stock has been presented or agreed to date. It is anticipated however that works to HRA communal blocks will have commenced by the Summer of 2021 and follow the FTTH programme with completion in late 2024. Upon completion and signing of the Wayleave agreement discussions will commence on the proposed programme of installation together with the development of a communication strategy on resident engagement which will utilise the opportunities CityFibre has progressed to date and the PCC social and printed media platforms.

3.22 HNB will continue to work closely with CityFibre to agree the Wayleave, develop an agreed programme of install works across the HRA portfolio of communal blocks in Portsmouth and develop a communications strategy. Further reports on the installation progress will be brought back to the Housing and Preventing Homelessness Cabinet as appropriate.

**4. Director of Finance Comments**

4.1 There are no additional costs to the City Council's Housing Revenue Account as a result of this project, as stated in the main body of the report. Any costs associated with communications to residents and working with CityFibre will be treated as day to day expenses and will be met from existing resources.

.....  
Signed by James Hill - Director of Housing, Neighbourhood and Building Services

**Appendices:**

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

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