


<p style="text-align: center;">London Borough of Hammersmith & Fulham</p> <p style="text-align: center;">CABINET MEMBER DECISION</p> <p style="text-align: center;">18 MARCH 2016</p>	
<p>FUNDING CARRY OVER: ROGUE LANDLORD PROJECT</p>	
<p>Report of the Cabinet Member for Housing: Cllr Homan</p>	
<p>Open Report</p>	
<p>Classification - For Decision</p>	
<p>Key Decision: No</p>	
<p>Wards Affected: All</p>	
<p>Accountable Director: Nicholas Austin, Director for Environmental Health</p>	
<p>Report Author: Richard Buckley, Bi-borough Head of Environmental Health (Residential)</p>	<p>Contact Details: Tel: 020 8753 3971 E-mail: Richard.buckley@lbhf.gov.uk</p>

AUTHORISED BY:
The Cabinet Members have signed this report.
DATE: **24/03/2016**.....

1. EXECUTIVE SUMMARY

- 1.1. In January 2016, following a successful bid, the Council was awarded a grant of £91,000 by the Department of Communities and Local Government (DCLG) to tackle 'Rogue Landlords'. A stipulation of the grant is that the funding must be spent by 31 March 2016.
- 1.2. Approval is required to carry the funding over into the new financial year to complete the project.

2. RECOMMENDATIONS

- 2.1. It is recommended that approval be given to carry over grant funding awarded by the DCLG into the new financial year until 30 June in line with expenditure to be incurred to complete the project.

3. REASONS FOR DECISION

- 3.1. The reason for the recommendation is to ensure that the project, which straddles two financial years, is completed within scope in line with the grant conditions.

4. INTRODUCTION AND BACKGROUND

- 4.1. The Private Rented Sector (PRS) comprises a large section of the housing market: 33.3% in 2011 in the borough. The stock is provided from a range of sources that taken together provide an increasingly large proportion of housing, which meets a very important need for people unable to buy their own home or whom just simply want somewhere to live temporarily.
- 4.2. The majority of landlords provide safe, decent homes for the Borough's residents, however, there are instances of 'rogue' landlords who charge the market rent but do not fulfil their landlord obligations and/or fail to keep the property in a safe and decent condition. There are instances where homes are overcrowded with individual households, called 'Homes in Multiple Occupation' (HMOs) that can create health and safety hazards (that can be potentially fatal), which require action by the Council.
- 4.3. The Council wants to achieve better outcomes for residents in private rented housing as set out in its Housing Strategy (action 15): 'Take steps to improve the Private Rented Sector by taking enforcement action against unsatisfactory landlords and those who are deliberately and illegally letting unfit homes'.

5. PROPOSAL AND ISSUES

- 5.1. In December 2015 the DCLG announced grant funding to tackle Rogue Landlords through enforcement. LBHF successfully bid for and won £91,000.
- 5.2. As part of the bid the Council committed to undertake as a minimum:
 - Number of Inspections 300
 - Number of Notices under housing and planning legislation 50
 - Number of Raids 5
 - Number of Enforcement Actions/Prosecutions 10
 - Number of Streets Surveyed 100
 - Number of Sheds Demolished 0
 - Other Door stepping of HMOs 100
- 5.3. The grant was awarded on 22nd January 2016 with the stipulation that it must be spent before 31 March 2016. The grant was paid under s31 of the Local Government Act 2003.
- 5.4. The grant conditions are set out in Appendix A.

- 5.5. The period in which to spend the funding is 10 weeks. Officers have been recruited on a temporary basis as set out in Appendix B to undertake the project, with additional support from full-time officers working overtime at weekends and during the evenings.
- 5.6. As part our involvement in the fund we must provide DCLG with a provisional record of our outputs by end of April 2016 and a final record of our outputs by end of June 2016
- 5.7. Confirmation has been sought from the DCLG as to whether the funds can be rolled over into the new financial year (2016/2017) to complete the project. The Council has been referred back to the conditions of the grant, which state: 'we will use the grant towards expenditure incurred or to be incurred'.
- 5.8. It is proposed to commit the remainder of the funding to agency staffing to complete the project and the associated processing of licensing applications, enforcement of legal notices, remedial works and prosecutions.

6. OPTIONS AND ANALYSIS OF OPTIONS

- 6.1. As of 11 March 2016, 550 properties have been visited by officers. Of these 328 have been inspected and a total of 56 HMOs identified as potentially requiring enforcement intervention. 18 of these are believed to be potentially licensable and are therefore operating illegally. One Police raid has been undertaken to date.
- 6.2. The total awarded grant is £91,000, as of 8 March £22,432 has been spent and it is forecast that by 31 March £44,144 will have been spent.
- 6.3. The next phase is to undertake detailed inspections under the Housing Health and Safety Rating System (HHSRS) and HMO Regulations to commence enforcement.
- 6.4. To complete the project it is proposed to commit the remainder of the grant £46,856 to finance two private housing officers and one administrative processing officer and legal support till end of June 2016, which will require the rollover of funds into the new financial year.
- 6.5. Post June 2016 the project will continue to be managed for up to 10 to 12 months utilising funding that has already been approved, which is banked until the Rogue Landlords funding comes to an end.

7. CONSULTATION

- 7.1. Not applicable

8. EQUALITY IMPLICATIONS

- 8.1. There are no equality implications.

9. LEGAL IMPLICATIONS

- 9.1. The report outlines stipulations which came with the funding so care should be taken to ensure these are met.
- 9.2. Consideration should be given to whether a Rogue Landlord Enforcement Policy or an addendum to any current LBHF enforcement policy would be necessary to ensure transparency and proportionality in enforcement against specific groups in order to be compliant with the Regulatory Enforcement and Sanctions Act 2008.

Legal Implications provided by Joyce Golder, Principal Solicitor, 020 7361 2181

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1. Confirmation has been sought from the DCLG as to whether the funds can be rolled over into the new financial year (2016/2017) to complete the project. The Council has been referred back to the conditions of the grant, which state: 'we will use the grant towards expenditure incurred or to be incurred'. In the opinion of finance at both the service and corporate level the wording is sufficient for the grant to be rolled over and spent in the first quarter of next year.
- 10.2. Implications verified/completed by: Gary Hannaway Head of finance TTS

11. IMPLICATIONS FOR BUSINESS

- 11.1. The project is targeted at Rogue Landlords who potentially place their tenants at risk of harm. The nature of the current housing market is that a small percentage of landlords can either charge market rate for non-decent homes and/or charge more by overcrowding premises beyond their safe limits.
- 11.2. The project seeks to remove the disreputable and unfit landlords from the sector to allow a level playing field for the majority of good and reputable landlords

12. RISK MANAGEMENT

- 12.1 No risk management issues.
- 12.2 Implications verified/completed by: Michael Sloniowski, Shared Services Risk Manager, 020 8753 2587

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.			

LIST OF APPENDICES:

Appendix A – Grant Conditions

Appendix B – Project Costs

Appendix A – Grant Conditions

1. Grant paid to a local authority under this determination may be used only for the purposes that a capital receipt may be used for in accordance with regulations made under section 11 of the Local Government Act 2003.
2. The Chief Executive and Chief Internal Auditor of each of the recipient authorities are required to sign and return to Jonathan Bramhall in Better Rented and Leasehold Sector Division at 2 Marsham Street, London, SW1P 4DF. Department for Communities and Local Government a declaration, to be received no later than 30 June 2016, in the following terms:

“To the best of our knowledge and belief, having carried out appropriate investigations and checks, in our opinion, in all significant respects, the conditions attached to Rogue Landlord Funding Programme No. 31/2701 have been complied with”.

3. If an authority fails to comply with any of the conditions and requirement of paragraphs 1 and 2, the Minister of State may-
 - a) Reduce, suspend or withhold grant; or
 - b) By notification in writing to the authority, require the repayment of the whole or any part of the grant.
4. Any sum notified by the Minister of State under paragraph 3(b) shall immediately become repayable to the Minister.

Appendix B – Project Costs

Officers	January 22nd to March 8th 2016
Lead Private Housing Officer	9,403
Senior Private Housing Officer	6,205
Private Housing Officer	3,004
Private Housing Officer	1,951
Administrative Officer	1,869
Overtime PH Team	22,432
Total	22,432

Officers	March 9th to March 31st 2016
Lead Private Housing Officer	4,467
Senior Private Housing Officer	4,200
Private Housing Officer	4,467
Private Housing Officer	4,467
Administrative Officer	3,111
Overtime PH Team	1,000
Total	21,712

Officers	April 1st to June 30th 2016
Lead Private Housing Officer	
Senior Private Housing Officer	18200
Private Housing Officer	14890
Private Housing Officer	
Administrative Officer	13481
Overtime PH Team	
Total	46571

Overall Total	90,715
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