

## BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is not a Key Decision within the Council's definition and has not been included in the relevant Forward Plan

Report of Executive Director,  
Development, Environment &  
Culture Directorate

### THE STATE OF THE HOUSING MARKET 2010

#### 1. Purpose of Report

- 1.1 To provide members with an update in regard to current housing market conditions across the Borough and the implications of market conditions for housing policy and housing interventions.

#### 2. Recommendations

**It is recommended:**

- 2.1 That the revised private rented sector accreditation scheme for landlords and managing agents, (the Barnsley Accreditation Scheme) be approved;
- 2.2 That the conditions attaching to the accreditation scheme grant (at appendix E) be approved;
- 2.3 That the conditions attaching to the accreditation scheme grant be periodically reviewed and amended by the AD Strategic Housing in consultation with the Cabinet Spokesperson for Development; and
- 2.4 That Cabinet supports the development of a Bond Guarantee Scheme, the procurement and implementation of which will be subject to forthcoming funding settlements.

#### 3. Introduction

##### Background

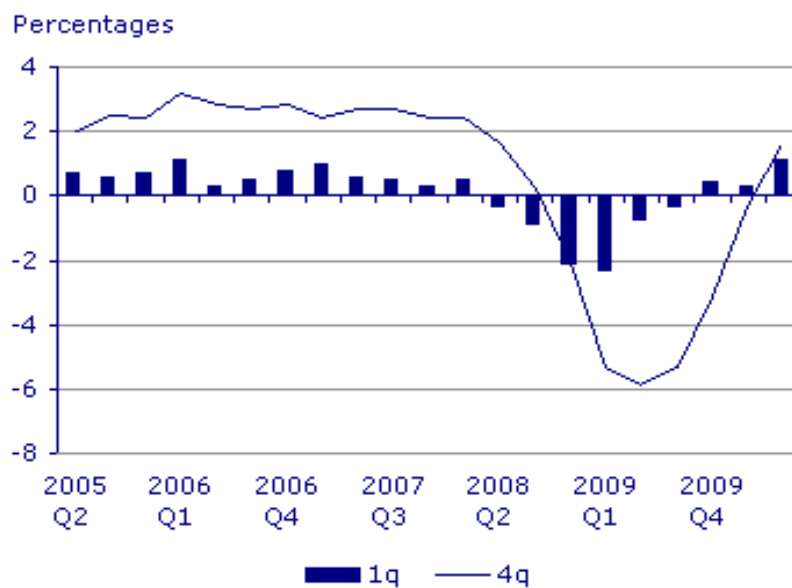
- 3.1 This is the fifth annual State of the Housing Market report. The factors that impact upon the dynamics of the housing market are many and varied but of clear prominence currently are:

- Continued economic uncertainty
- The election of a new Government and resultant changes in political priorities and policy, most recently enunciated in the comprehensive spending review announcement on 20<sup>th</sup> October

### **Economic Context**

3.2 The UK economy has emerged from the deepest recession since the 1930s. Six consecutive quarters of negative growth came to an end in the last quarter of 2009. This has been followed by further positive growth figures in 2010 to date. The table below illustrates this:

**Chart 1: UK Gross Domestic Product Growth**



Source: [www.statistics.gov.uk](http://www.statistics.gov.uk)

3.3 However, continued economic recovery is far from certain – some leading commentators have warned that the recovery will be “choppy” whilst others go further holding out the prospect of a double-dip recession. The main reasons for this pessimism are:

- Slower than anticipated easing of access to credit - banks are still rebuilding their balance sheets as opposed to markedly increasing their lending. This impacts on access to funding for property developers and households looking for mortgage finance.
- The new Government’s austerity measures (to reduce the national budget deficit) set out in the June 2010 “emergency” budget. Households may be less inclined to spend because of concerns about impending public sector cuts and job losses in both the public and private sector. Worries about job security and weak rises in wages mean that households opt to save more and reduce debt, rather than spend.

- The parlous state of many Eurozone economies (especially in southern Europe). Europe is the UK's biggest trading partner and the hoped for private sector-led recovery in the UK might be neutered as a result of weak trade as Eurozone resources become increasingly focused on measures to bail out the weaker Eurozone economies.

### **Political Context**

3.4 The new Government's priorities and policy stance is dominated by two issues:

- An overarching requirement to quickly and significantly reduce the national budget deficit. Many capital programmes (including housing) have already been subjected to in-year budget cuts and further reductions in spending were confirmed in the Comprehensive Spending Review announcement on 20th October.
- The Big Society / Localism Agenda; there are 3 main strands to this:
  - i) Plans to give people a much greater say over the issues that affect their daily lives
  - ii) Plans to give local councils much more responsibility and power
  - iii) Plans to reshape the way political power is structured.

3.5 In regard to housing related matters, proposals have come forward in the Coalition's programme for government document<sup>1</sup> (May 2010), the Queen's Speech (on 22<sup>nd</sup> May 2010) and the "emergency" budget (June 2010). The proposals of most significance are set out below.

#### **3.5.1 Key housing proposals contained in the Coalition Governments "Our Programme for Government" document:**

- Abolition of Regional Spatial Strategies (and the targets for the supply of new housing contained within them) and their replacement with a "bottom up" more democratic approach to planning to give neighbourhoods greater ability to determine the shape of their local communities. This is a clear example of the localism agenda.
- Introduction of new powers for local authorities to prevent new housing developments through "garden grabbing".
- A radical reform of the planning system Maintenance of the Green Belt, Sites of Special Scientific Interest (SSSIs) and the creation of a new designation to protect green areas of particular importance to local communities.
- Exploration of a range of measures to bring empty homes into use

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<sup>1</sup> The Coalition: our programme for government, (HM Govt. May 2010).

- Promotion of shared ownership schemes and help for tenants in social housing to own or part-own their home
- Promotion of “Home on the Farm” schemes to encourage farmers to convert exiting buildings into affordable housing.
- Creation of new trusts that will make it easier for communities to provide homes for local people.
- To continue the review of the Housing Revenue Account.
- A requirement for continuous improvements to the energy efficiency of new housing.
- Incentives for local authorities to deliver sustainable development, including new homes.
- A review of the effectiveness of the raising of the stamp duty threshold for first time buyers.

### 3.5.2 Key housing proposals contained in the Queen’s Speech (24<sup>th</sup> May 2010)

- Decentralism and Localism Bill to devolve greater powers to councils and local communities (in regard to housing and planning matters amongst others).
- New house building. Regional Spatial Strategies to be abolished (together with targets contained in them for increasing supply of affordable housing and provision of Gypsy & Traveller sites/pitches).
- Home Information Packs to be scrapped but Home Energy Performance Certificates retained.
- Home energy efficiency improvements to be paid for by savings in energy bills

### 3.5.3 Key housing proposals contained in the “Emergency Budget” 22<sup>nd</sup> June 2010

The emergency budget contained little direct reference to housing matters. To the extent that it did, the focus was on reforming housing benefit as part of moves to cut the overall benefit bill and push more claimants into work. Housing benefit reforms will include:

- Re-setting and restricting Local Housing Allowances (private rented sector tenancies)
- From April 2011 HB reduced if non-dependant living with claimant
- Re-adjusting support for mortgage interest payments
- Introduce, from April 2011, maximum limits on housing benefit in private sector (local housing allowance rates) – from £280 per

week for a one-bedroom property to £400 per week for a four-bedroom or larger.

- From Oct. 2011 local housing allowance rates to be set using the bottom 30% of rents rather than median level.
- From April 2013 to cut HB by 10% to claimants who have been in receipt of Job Seekers Allowance for more than a year.
- From April 2013 limiting social tenants' entitlement to appropriately sized homes – social housing tenants deemed to have homes larger than they require will have their housing benefit reduced.

- 3.6 Of equal concern are the well-trailed cuts in public expenditure which will impact on planned housing interventions across the country; some budget reductions have already been announced and have already impacted on programmes for 2010/11. However, it should be noted that none of Barnsley's housing programmes have been halted or significantly reduced as a result of these cuts. Of more concern are the further cuts announced as part of the comprehensive spending review. Barnsley MBC Strategic Housing is currently refining scenario planning further to the CSR announcement.
- 3.7 The plans to abolish house building targets have already become a reality; the new Government's view was that targets were symptomatic of an ineffective top-down planning system that forced unsustainable development on communities that inevitably led to local opposition to plans for new housing.
- 3.8 In addition Planning Policy Statement 3 (PPS3) Housing has been amended to remove the requirement for minimum housing density; it is hoped that the abolition of housing density targets will encourage the construction of family houses rather than flats.
- 3.9 In July the new Government outlined its proposals for "The Community Right to Build". This initiative (which is very much part of the Big Society / Localism agenda) will allow communities to get together and take forward developments for new homes, shops and facilities in their area. Providing there is overwhelming community support (i.e. at least 90% in favour) for the development proposal it is further proposed that such developments could then proceed without the need for an application for planning permission.
- 3.10 In mid-August the Government announced outline proposals for a *New Homes Bonus* to incentivise new house building. Government is proposing to match council tax receipts for 6-years after the construction of new homes (with a 125% match for every affordable home built). Local authorities will be free to use the additional revenue raised to spend as they wish; this could be, for example on improving facilities in those neighbourhoods that are to receive the new housing so that existing communities can benefit directly from the construction of new homes in their area. This move is very much in accord with the localism agenda but the big question is whether or not it will be sufficient to overcome the default position of opposition to new housing developments that is often held by community activists. Nationally, some £900

million has been allocated to this proposal. A consultation document on the New Homes Bonus will be published in November, to which the Assistant Director, Strategic Housing will prepare a response.

- 3.11 The recent CSR announcement includes a 60% cut in the national social housing budget for the building of new affordable housing; in 2011/14 the national budget was £8.4 bn. and this has been reduced to £4.4 bn. for 2011/15. The Government believes some 150,000 new affordable homes can still be built over the next 4-years, in part funded from a proposed increase in social housing rents for new tenants.
- 3.12 In essence the New Homes Bonus together with proposed changes in the Planning framework represent the main planks of the new Governments' approach to house building. Further details are still awaited and no doubt consultations around the forthcoming Decentralism and Localism Bill will provide some further clarity.

### **Overview of Housing Market – National Picture**

- 3.13 In 2008/09 the completion of new dwellings in England fell to 133,830 units. As matters stand it is predicted that house building could slump further in many places. The final 2009/10 new build completion figures for England are still awaited but it is anticipated that outturn figure will have fallen further to approximately 123,000 units – this will be the lowest figure since 1923.

**Table 1: Dwelling completions in England**

Year	Number of Dwellings			
	Private Dev.	Registered Social Landlords	Local Authorities	Total
2003/04	130,100	13,670	190	143,960
2004/05	139,130	16,660	100	155,890
2005/06	144,940	18,160	300	163,400
2006/07	145,680	21,750	250	167,680
2007/08	144,740	23,100	300	168,140
2008/09	107,710	25,550	570	133,830

Source = <http://www.communities.gov.uk/documents/housing/xls/323495.xls>

- 3.14 Recent research<sup>2</sup> indicates that almost 85,000 planned homes have been scrapped by councils across England in the wake of the decision to abolish regional house building targets and many commentators forecast that the new-build total for 2010/11 could fall below the 100,000 mark for the first time

<sup>2</sup> Tetlow King (July 2010)

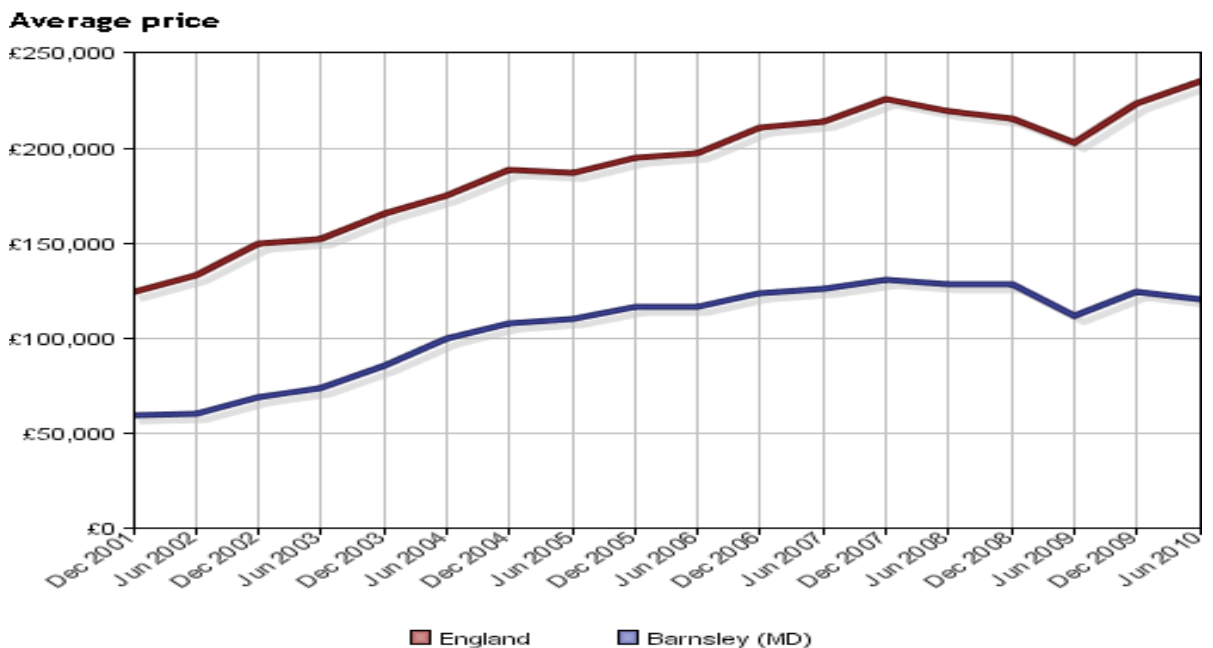
in almost a century. This is a grim prospect for the 1.8 million households on housing waiting lists across the country.

- 3.15 The Government still maintains that increasing the supply of new housing is a priority. A consultation paper on the *New Homes Bonus* scheme will be published following this autumn's comprehensive spending review with a view to introducing the scheme early on in the (2011/14) spending review period. However, changes in the planning framework within which housing development takes place are unlikely in themselves to result in a significant resurgence in house building activity. Developers will not be able to build in any great volume until the availability of mortgage finance improves and the prospects of continued economic recovery are more of a certainty; until then developers will most likely adopt a low risk approach focusing on small schemes of new houses.

**House Prices**

- 3.16 House prices peaked in the autumn of 2007. Prices then fell, reaching their lowest levels in Feb. 2009 at which point the average price of a house in England had fallen to £147,746. Since the spring of 2009 prices have risen, reaching an average of £235,596 in June 2010, exceeding the previous market high at the end of the last quarter in Dec. 2007.
- 3.17 The housing market recovery in Barnsley has not been as consistent as the national picture across England in that average prices fell during the first 6-months of 2009 before recovering and then slipping back again in the first 6-months of 2010. The latest data from Hometrack shows that as at the end of July 2010 the average price for a house in Barnsley was £121,327.

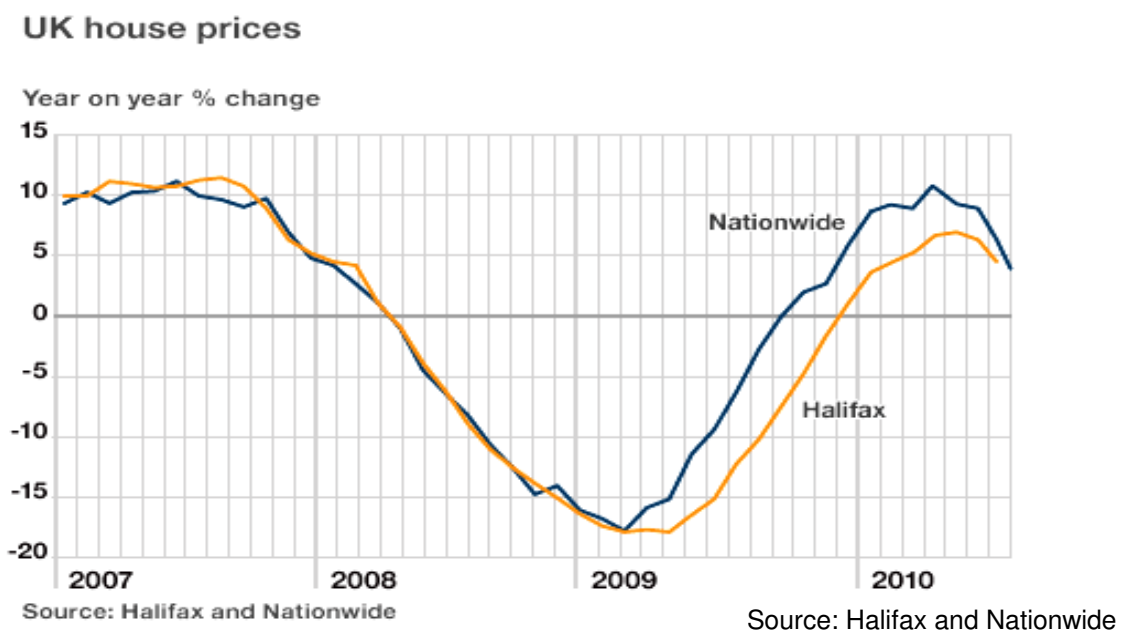
**Chart 2: Average House Price Changes in England and Barnsley**



Source: Hometrack

- 3.18 In England house prices were 10.5% higher in June 2010 than a year earlier. This is clearly out of kilter with the muted performance of the UK economy as a whole. In reality the recovery in the housing market is far from broad-based; recent price increases have been concentrated in just a fifth of the UK, (the south-east essentially) and have been driven by a high proportion of sales from cash buyers and overseas investors off very thin sales volumes. However, July and August have seen price falls; the latest market surveys indicate a clear shift in the balance of supply and demand with more properties coming onto the market and fewer buyers looking to purchase (no doubt mindful of the austerity measures waiting to bite in 2011) - this will take pressure off prices.

**Chart 3: UK house price growth (% year on year)**



- 3.19 The economic fundamentals remain, in the short term, unfavourable to the housing market; unemployment is high and wage growth is slow. Against this backdrop the majority of commentators predict price falls in the region of 3% for the remainder of 2010 and of perhaps 5% by the end of 2011. Once into 2011/12 the underlying shortage of properties in the UK may begin to exert upward pressure on prices again.

**Housing Finance – Arrears and Repossessions**

- 3.20 In 2009 some 46,000 homes were repossessed by lenders – this is the highest figure since 1996 and would arguably have been far greater were it not for the impact of lender forbearance and other support measures (such as the mortgage pre-action protocol, income support for mortgage interest and the mortgage rescue scheme).



**Table 2: Repossessions**

2004	2005	2006	2007	2008	2009	2010
8,200	14,600	20,900	26,200	40,000	46,000	39,000 (forecast)

Source: Council of Mortgage Lenders

3.21 During 2010 repossessions have started to fall:

- Quarter 1 = 9,800
- Quarter 2 = 9,400

The number of mortgages in arrear has also fallen during 2010. As at the end of June 2010 there were 178,200 loans with arrears equal to 2.5% or more of their mortgage balance. This is 5% lower than at the end of March and 17% lower than at the end of June 2009. The Council of Mortgage Lenders (CML) forecast a total of 39,000 repossessions in 2010.

3.22 Whilst the arrears and re-possession figures are heading in the right direction at the moment there can be no room for complacency. There are a significant number of borrowers whose arrears may have been stabilised through lender forbearance or other support measures but whose situation nonetheless remains very finely balanced. Looking ahead to 2011 there are significant doubts as to the sustainability of the somewhat fragile economic recovery and were there to be an increase in unemployment or a significant rise in interest rates, it is highly likely that arrears and repossessions would increase again.

### **Housing Finance - Lending Activity**

3.23 According to the latest data from the (CML) some 53,000 house purchase loans were approved in June 2010, some 14% more than in June 2009 and the 12<sup>th</sup> consecutive month in which lending has been higher than its year-earlier levels. However, notwithstanding these increases over the last 12-months, activity remains weak when compared to the volume of lending seen before the recent recession. According to the CML, “normal” market activity would see gross mortgage lending at some £250 billion per annum.

**Table 3: Gross Mortgage Lending**

Year	£bn
2004	£291.26
2005	£288.28
2006	£345.36
2007	£362.63
2008	£254.02
2009	£142.64
2010 (forecast)	£140.00

Source: Council of Mortgage Lenders

- 3.24 In regard to first time buyers, as at the end of June 2010 the average loan had increased marginally to 76% of property value; (up from 75% in August 2009). As such, with an average deposit of 24% of property value, the entry costs for many would-be first time buyers remain simply unaffordable; as at the end of June 2010 the average cost of properties purchased by first time buyers in Yorkshire and Humber was £111,000<sup>3</sup>. First time buyers are absolutely crucial for a well-functioning housing market.
- 3.25 Looking ahead, house purchase activity is expected to be muted in the coming months as a result of continuing constraints on the availability of mortgage finance and the public's fears about the impact of the Government's impending programme of austerity measures.

### **The Affordability of Owner-Occupation and Changing Tenure Patterns**

- 3.26 According to the CML the number of first time buyers is down from 500,000 at the turn of the century to some 200,000 now, whilst a recent survey by Rightmove, (July 2010) has shown that first time buyers currently account for just 22% of those looking to buy, down from 31% a year ago. This is only half the level required to lubricate the housing market such that house purchase chains have a realistic prospect of completion. In reality the housing market has stalled and the ongoing difficulties faced by first time buyers in accessing owner-occupation represents a serious structural flaw in the market.
- 3.27 Over much of the country owner-occupation is simply out of reach for first time buyers. Falls in house prices in recent years have been more than cancelled out by increases in deposit requirements. Without parental help (towards the deposit) home-ownership is for many young people becoming more of a pipe dream than a reality. Some commentators assert that the so-called "golden age" of owner occupation is over – owner-occupation in England peaked at almost 71% in 2005 but had fallen back to 68% by 2008/09 (the latest year for which figures are available). The "unaffordability of owner-occupation" has undoubtedly led to the huge increase, to almost 5 million, in the numbers of people on local authority housing waiting lists.
- 3.28 A recent report<sup>4</sup> suggests that the UK may have reached another historic turning point in the tenure mix of the UK housing system. Most of the recent decline in the owner-occupied sector can be accounted for by a growth in the relative size of the private rented sector from around 9% during the 1990s to almost 15% by 2009. If recent trends continue the private rented sector will be larger than the social rented sector by 2013.
- 3.29 The private rented sector now provides a home to almost 4 million households. Whilst some of the growth in private renting will have been due to choice in the main it is has probably been driven more by the continuing affordability barrier to owner-occupation and an ongoing shortage of social rented housing. There is little reason to think that this situation will change in

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<sup>3</sup> [http://www.nationwide.co.uk/hpi/downloads/first\\_by.xls](http://www.nationwide.co.uk/hpi/downloads/first_by.xls)

<sup>4</sup> Tenure Trends in the UK Housing System: Will the private rented sector continue to grow?, Building and Social Housing Foundation 2010

the short term and this presents implications for housing policy not least in regard to poor housing conditions which are most concentrated at the bottom end of the private rented sector.

- 3.30 The early ministerial statements from Government indicate that promoting homeownership will be at the heart of national housing strategy, although as noted above, exactly how this will be delivered on the ground remains somewhat uncertain. In regard to the private rented sector the Government has already made clear that it will not increase regulation; the previous Government, in response to the Rugg Review<sup>5</sup> had proposed to introduce a national register for landlords and lettings agents as a further means of improving management standards and housing conditions in the sector.
- 3.31 The growth in the private rented sector is also a factor at play within the Borough of Barnsley; the private sector stock condition survey 2010 estimated that some 10,600 households across the Borough live in the private rented sector. Housing policy at the local level needs to ensure that we build upon existing measures to improve housing conditions and management standards within the sector and at the same time facilitate access to housing in the sector. This theme is further developed below at 3.71 to 3.77 and in section 5 of this report.

### **The Housing Market in Barnsley**

- 3.32 The population of Barnsley is currently some 226,000 and is projected to increase by 16% by 2031. The most significant increase is projected for the population of retirement age (65+). The percentage of the population over 65 is forecast to increase from 16.4% of the population to 23.5% by 2031.
- 3.33 At 104,266 there has been a small increase in the total size of the housing stock during 2009/10, (total figure for 2008/09 = 103,688 homes). The number of council houses has continued to decline (2008/09 = 19,339 homes, 2009/10 = 19,235 homes) whilst the proportion of private sector housing and housing association properties has again increased slightly.

**Table 4: Dwelling Ownership**

<b>Ownership</b>	<b>Nos.</b>	<b>Percentage</b>
Council Housing	19,235	18.45%
Housing Association	2,838	2.70%
Private Sector (owner-occupied & private rented)	82,193	78.85%
<b>Total</b>	<b>104,266</b>	<b>100.00%</b>

Source: HSSA 2010 & Housing Association Stock Directory Mar. 2010

<sup>5</sup> The Private Rented Sector; its contribution and potential, Rugg and Rhodes, 2008

### **Empty Homes**

- 3.34 Some 96% of the housing stock is occupied. The routine “churn” of the housing market depends on a proportion of homes being empty at any given time. What is more problematic is the presence of long-term empty homes (i.e. those that have been empty for 6-months or more); this is more of an issue in the private sector where latest figures show that 1672 homes, (some 2% of the private sector stock) had been empty for at least 6-months as at 1<sup>st</sup> April, 2010. The CSR announcement on 20<sup>th</sup> October included, at a national level, £100 million being made available to address the empty homes issue.

**Table 5: Long-Term Empty homes in private sector**

<b>Private Sector – Long-term Empty Homes</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
Number	1383	1548	1672
As % of total private sector stock	1.70%	1.85%	1.97%

Source: Housing Strategy Statistical Appendices

- 3.35 The situation in the public sector in regard to long-term empty homes is much better. As at 31<sup>st</sup> March 2010, 157 council homes, (or 0.82% of total stock of council housing) had been empty for 6 months or more. This figure is reduced to 52, (or 0.27% of the council stock) when properties held pending demolition are removed from the calculation.

### **Council Housing**

- 3.36 The number of council houses was 19,235 at the end of 2009/10, a reduction of 104 over the previous year. It should be noted that the vast majority of stock reduction was again due to the demolition of obsolete stock as part of major housing regeneration and new-build programmes.
- 3.37 Right to Buy sales remain at very low levels:

**Table 6: Right to Buy Sales**

<b>2004/05</b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
961	343	214	174	37	30

Another 30 sales are forecast for 2010/11; to date (i.e. Sept. 2010) there have been 12 sales.

- 3.38 The number of applicants on the local authority waiting list remains at a high level whilst the number of properties available for letting continues to fall.

**Table 7: Local Authority Housing Waiting List**

<b>Year (as at 1<sup>st</sup> April)</b>	<b>Total households on Waiting List *</b>	<b>Total No. of Lettings</b>
2005	5563	1622
2006	6694	1439
2007	6487	1442
2008	6097	1264
2009	7804	1269
2010	7668	1368

\* Excludes transfer applicants – when transfer applications (from those already in living in council housing) are taken into account, the waiting list contains in excess of 9,000 applicants.

**New Council Housing**

- 3.39 Members will recall that as part of the former Government’s 2009 housing stimulus package (designed to counter a downturn in the housing market and house building industry), some funding was made available for local authorities to build new council housing. Barnsley MBC was particularly successful in the bidding process with 5 separate schemes to build a variety of housing being approved by the CLG. Four of the schemes are on site with the 5<sup>th</sup> due to start on site later this autumn. Once completed, 76 new units of council housing will have been built.

**Table 8: Average Council House Rents in Barnsley**

<b>Weekly Cost (over 52 weeks)</b>					
<b>1Bed</b>		<b>2 Bed</b>		<b>3 Bed</b>	
<b>2009</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>
£48.70	£49.03	£52.79	£54.40	£56.82	£58.39

Source: Berneslai Homes

Council housing continues to provide the most affordable accommodation in Barnsley.

**Housing Association Accommodation**

- 3.40 At the end of 2009/10 there were 2,838 housing association properties across the borough. Some 11 housing associations are active in the borough, the largest being:

- Yorkshire Housing = 959 units
- Chevin Housing Association = 699 units
- Guinness Northern Counties = 438 units

During 2009/10 our housing association partners continued to deliver new affordable housing, with key developments at:

- New Lodge, Barnsley (66 units)
- Newhill Road, Smithies (61 units)
- Michaels/Martins Road, Burton Grange (34 units)
- Aldham House, Wombwell (31 units)
- Bellbrooke, Darfield (30 units)

Funding is in place and permissions are in place for over 400 affordable homes units to be built during 2010/11 (although some of these may not be completed until 2011/12).

**Table 9: Average Housing Association Rents in Barnsley**

Weekly Cost					
1 Bed		2 Bed		3 Bed	
2009	2010	2009	2010	2009	2010
£59.10	£64.20	£61.50	£67.80	£66.00	£73.30
£48.70	£49.03	£52.79	£54.40	£56.82	£58.39

Source: Hometrack

## **Owner-Occupation**

### **House Prices**

- 3.41 The average house price in Barnsley is currently £121,327 (based on sales and valuations over the last 6 months), compared to a regional average of £158,051.
- 3.42 The lower quartile house price in Barnsley is currently £73,000 (based on sales and valuations over the last 6 months), compared to a regional average of £95,000.
- 3.43 The number of bedrooms is a key determinant of price, current average prices in Barnsley by bedroom count and property type are as follows:
- 1 bedroom flat - £68,800
  - 2 bedroom flat - £75,400
  - 2 bedroom house - £86,800
  - 3 bedroom house - £119,100
  - 4 bedroom house - £203,300
- 3.44 The average price of a new build flat in Barnsley is currently £85,100, compared to a regional average of £123,100
- 3.45 The average price of a new build house in Barnsley is currently £150,300, compared to a regional average of £191,600.

- 3.46 Following a recovery in prices during late 2009 / early 2010 property prices in Barnsley are falling again. Average property prices in Barnsley have fallen by 6.9% since July 2007 whilst lower quartile prices have fallen by 15% from their January 2008 level. Tables 9 and 10 below illustrate this.
- 3.47 The outlook for the housing market in Barnsley is, in the short term, somewhat unfavourable; wage growth is muted, unemployment is relatively high (at 5.3%) with the fear of further job cuts as the Government's austerity measures bite in 2011. A recent survey<sup>6</sup> of English local authorities designed to gauge resilience to the effects of cuts in public spending, has placed Barnsley 311<sup>th</sup> out of 324. Such a weak resilience ranking suggests that Barnsley is clearly vulnerable to the predicted cuts in public expenditure and against this backdrop it is likely that house prices will continue to fall during the remainder of 2010 and throughout 2011. Once into 2012 the underlying shortage of properties may begin to exert upward pressure on prices again.

**Table 10 – Average House Prices**

	<b>England</b>	<b>Yorkshire &amp; the Humber (GOR)</b>	<b>Barnsley (MD)</b>
Jan-05	£188,973	£135,559	£108,147
Jul-05	£188,918	£136,501	£110,456
Jan-06	£194,919	£143,733	£116,949
Jul-06	£200,207	£147,352	£118,434
Jan-07	£210,725	£154,555	£124,992
Jul-07	£217,079	£156,150	£128,292
Jan-08	£225,309	£162,096	£128,159
Jul-08	£220,300	£156,602	£130,396
Jan-09	£212,049	£151,563	£126,901
Jul-09	£207,240	£146,861	£113,745
Jan-10	£226,540	£160,640	£123,941
Jul-10	£232,391	£158,051	£121,327

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<sup>6</sup> Experian <http://www.bbc.co.uk/news/business-11233799>

**Table 11: Lower Quartile House Prices**

	<b>England</b>	<b>Yorkshire &amp; the Humber (GOR)</b>	<b>Barnsley (MD)</b>
Jan-05	£115,000	£80,000	£69,500
Jul-05	£115,000	£85,000	£70,000
Jan-06	£118,950	£89,995	£78,000
Jul-06	£120,000	£94,000	£80,000
Jan-07	£125,000	£99,510	£82,000
Jul-07	£127,000	£102,000	£84,995
Jan-08	£130,000	£105,000	£86,000
Jul-08	£125,000	£100,000	£85,000
Jan-09	£120,000	£95,000	£83,950
Jul-09	£120,000	£90,000	£75,000
Jan-10	£129,000	£99,950	£77,000
Jul-10	£125,000	£95,000	£73,000

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### **House Sales**

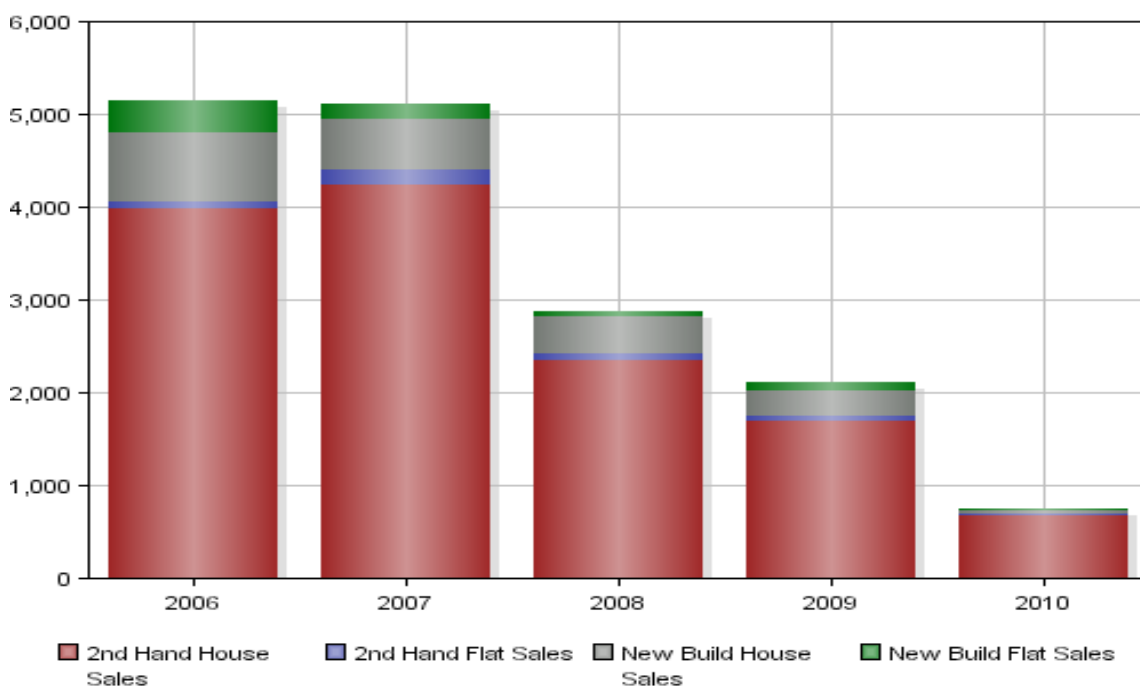
- 3.48 The volume of property sales in Barnsley has fallen significantly from the height of the market in 2006 and 2007. In both of those years over 5,000 homes changed hands whilst to date in 2010 there have only been 747 property sales.
- 3.49 The chart below illustrates this point and also highlights the significant reduction in new property sales (50 to date so far in 2010) and especially so in regard to flats.

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### Chart 4: Property Sales in Barnsley

**Annual turnover by broad type and age**



**Note**

The chart shows the total volume of housing turnover in the area each year split between houses and flats and second hand and newly built housing based on Land Registry data.

### New-build Activity

- 3.50 There are signs that the house construction industry has weathered the worst of the recent market downturn. The table below illustrates an increase in commencements and completions.

**Table 12 – New Build Starts and Completions in Barnsley**

2008/09	Commenced	Gross Completions	Demolitions	Net Completions (NI 154)
Q1	331	453		
Q2	408	222		
Q3	382	234		
Q4	136	187		
<b>Total</b>	<b>1257</b>	<b>1096</b>	<b>236</b>	<b>860</b>
2009/10	Commenced	Gross Completions	Demolitions	Net Completions (NI 154)
Q1	226	196		
Q2	102	153		
Q3	88	203		
Q4	196	245		
<b>Total</b>	<b>612</b>	<b>797</b>	<b>251</b>	<b>546</b>

3.51 Barnsley has Housing Growth Point status and remains committed to some 21,500 net completions over the period 2008-2026. However, in the short term annual delivery targets have been revised downwards to reflect the difficulties in the housing market but completions are forecast to recover in the medium to longer term.

### **Affordability**

3.52 The two traditional key measures of housing affordability in the owner-occupied sector are:

- Mortgage payments as a percentage of average pay
- The ratio of average (median) house prices to average income – (beyond a ratio of 3.5 it is generally accepted that households may be over-stretching themselves)

**Table 13: Median House Price and Household Income Ratios in Barnsley Borough**

Year	Median House Price	Income required for price to satisfy 3.5x income affordability ratio	Actual Median Household Income	Actual Affordability Ratio: House Price / Actual Income
2007	£114,950	£32,843	£23,819	4.8
2008	£110,000	£31,429	£24,588	4.47
2009	£102,000	£29,143	£25,549	3.99

Source: © 2009 PayCheck CACI Limited

3.53 The plight of first-time buyers better illustrates stretched affordability. First-time buyers are more likely to have lower incomes and will, generally speaking, be restricted to the lower end of the market. The table below shows the affordability ratios likely to be typical of first-time entrants to the housing market.

**Table 14: Lower Quartile House Price and Household Income Ratios in Barnsley Borough**

Year	Lower Quartile House Price	Income required for price to satisfy 3.5x income affordability ratio	Actual Lower Quartile Household Income	Actual Affordability Ratio: House Price / Actual Income
2007	£83,000	£23,714	£14,921	5.56
2008	£84,463	£24,132	£15,507	5.45
2009	£77,000	£22,000	£16,208	4.75

Source: © 2009 PayCheck CACI Limited

- 3.54 The reduction in house prices, coupled with a modest rise in incomes during 2009 has seen affordability continue to ease slightly. However, at 3.99 (for median house prices) and 4.75 (for lower quartile house prices), both ratios remain above the 3.5 mark and especially so for first time buyers.
- 3.55 The following table shows average costs of servicing a mortgage in Barnsley. Almost without exception average mortgage costs have fallen in the last 12-months, reflecting the impact of the continuation of record low interest rates; the Bank of England base rate was reduced to 0.50% in March 2009 and to date as remained at that level. However, it should be noted that not all borrowers have benefitted equally from low interest rates with first time buyers finding it particularly difficult to secure a loan with an affordable interest rate.

**Table 15: Average Mortgage Costs in Barnsley**

Weekly Cost					
1 Bed		2 Bed		3 Bed	
2009	2010	2009	2010	2009	2010
£66.00	£58.00	£81.00	£70.00	£94.00	£93.00
n/a	n/a	£116.00	£65.00	£155.00	£130.00
£100.00	£75.00	£94.00	£90.00	£116.00	£121.00
n/a	n/a	£122.00	£93.00	£159.00	£154.00

Source: Hometrack

- 3.56 There is, in regard to affordability, a third factor to take into account which has more than outweighed the easing of affordability pressures over the last 2-years. Access to housing in terms of the deposit required to obtain mortgage finance continues to present an insurmountable hurdle for many and particularly first time buyers. In the absence of a substantial deposit mortgage finance may well not be available or if it is the loan will attract a higher rate of interest to reflect the greater level of risk to the lender.
- 3.57 Reference has already been made to the chimerical nature of home ownership for many would-be first time buyers who are not in the fortunate position of being to tap into accumulated family wealth via the so-called “Bank of Mum and Dad”. In the absence of such assistance home-ownership is fast becoming a mere pipe-dream, disappearing further and further into the distance.
- 3.58 There are a number of distinct housing markets within the Borough – a map at appendix H illustrates these. As might be expected some areas continue to exhibit higher house prices than others. The Penistone housing market continues to contain the most expensive properties on average, with the Barnsley Central and Dearne markets at the other end of the scale. The table below provides further information:

**Table 16: Housing Market Areas – Average (Median) House Values**

Year	Barnsley Central	Barnsley North East	Barnsley South East	Barnsley West	Dearne	Hoyland	Penistone	Borough
2001	£32,500	£44,725	£40,000	£55,000	£28,500	£54,975	£78,725	£45,000
2002	£34,500	£50,150	£42,000	£64,950	£32,950	£49,975	£102,000	£48,500
2003	£46,000	£71,375	£58,000	£81,975	£41,500	£62,750	£127,000	£64,000
2004	£65,000	£94,950	£79,950	£105,000	£66,750	£93,975	£159,950	£87,500
2005	£76,250	£100,000	£99,995	£119,950	£76,000	£100,000	£155,250	£99,950
2006	£91,975	£104,950	£105,000	£125,000	£78,250	£99,950	£169,000	£105,995
2007	£92,500	£116,725	£108,000	£130,000	£82,000	£110,000	£175,000	£114,000
2008	£95,000	£108,000	£108,998	£124,950	£85,000	£107,000	£186,498	£110,000
2009*	£77,000	£95,000	£99,995	£120,000	£78,000	£90,000	£145,000	£98,000

\* Incomplete year; data covers period 01/04/00 to 31/07/09.

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3.59 In all housing market areas property prices have fallen but not by enough to begin to lessen the need to increase the supply of affordable housing. The table below shows that a significant proportion of the local population simply cannot afford to meet their housing needs in the open market.

**Table 17: Percentage of Households Priced Out of Market in Barnsley Borough**

<b>(a) First Time Buyers</b>		
FTB households – Flats	39.48%	21.48%
FTB households - Terraced houses	39.48%	21.48%
FTB households - Semi-detached houses	39.48%	35.32%
FTB households - Detached houses	72.57%	68.94%
<b>(b) Existing Owners</b>		
Owner occupier – Flats	24.93%	21.48%
Owner occupier - Terraced houses	24.93%	21.48%
Owner occupier - Semi-detached houses	39.48%	35.32%
Owner occupier - Detached houses	63.84%	59.78%

Source: Hometrack (Sept. 2010)

### **Ongoing need for Affordable Housing**

- 3.60 When compared to the national and sub-regional pictures housing in Barnsley is relatively affordable but this fact should not blind us to the ongoing need for affordable housing. Members may recall that the latest Strategic Housing Market Assessment (2008)<sup>7</sup> indicated a net shortfall in the supply of affordable housing of 597 dwellings per annum. Whilst housing market dynamics since 2008 may have superficially eased affordability problems there clearly remains an ongoing need to increase the supply of affordable housing.
- 3.61 The Council has already prioritised this area of activity and the Strategic Housing Service working together with a variety of partners has helped to increase supply in recent years and is currently working towards the ambitious target 1000 new affordable dwellings in the period 2008/11.

**Table 18: NI 155 – Number of affordable homes delivered (gross)**

	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>Total</b>
Target	145	347	508	1000
Completed	119	352	81*	

Notes: \*Completions 2010/11 as at end June 2010.

- 3.62 Whilst the majority of affordable housing continues to be delivered via our housing association partners the proportion provided through private sector housing developments has nonetheless increased. In large measure this is due to 5 private sector developments in Barnsley attracting funding from the previous Government's Kickstart programme which enabled developments that had stalled due to the recession to recommence. The Kickstart scheme has now ended but it is forecast that some 150 units of affordable housing will be delivered as a result of this initiative.
- 3.63 The volume of publicly funded new affordable housing development in 2011-15 is very likely to decrease given the announcement in the CSR that the national budget to support new affordable housing has been cut by 60% to £4.4 billion for 2011-15. This means that greater reliance will be placed on obtaining affordable housing through private sector housing developments.
- 3.64 There has been a modest recovery in private sector housing development in Barnsley as developers have adjusted their business models to the realities of a more subdued market. Against this backdrop we are witnessing the beginnings of a fragile recovery in the delivery of affordable housing via section 106 planning consents and have a target of 20 completions via this route during 2010/11 with more in the pipeline for 2011/12.

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<sup>7</sup> Barnsley Housing Needs, Markets and Affordability Assessment Update: A Strategic Housing Market Assessment

3.65 In early 2010 an affordable housing economic viability assessment<sup>8</sup> was carried out to establish the extent to which private sector housing developments throughout the Borough could provide affordable housing against a range of economic scenarios. The strength of the housing market varies across the Borough, with developments in the stronger housing markets, generally to the west of the Borough, being able to support a greater proportion of affordable housing than in those parts of the Borough where the housing market is weaker, most notably in the east. Officers are closely monitoring the impact of the Council’s existing affordable housing policy with a view to increasing its flexibility (in line with the conclusions in the affordable housing economic viability assessment), so as to ensure that the optimum amount of affordable housing is obtained from private sector housing developments as we move forward.

**Shared Ownership**

3.66 The new Government remains a champion of owner-occupation but recognises the affordability issues that prevent many would be buyers from getting onto the bottom rungs of the housing ladder. Given this, shared ownership (through which the properties are part owned and part rented) continues to be promoted through a number of government sponsored “Homebuy” products via the Homes and Communities Agency. In 2009/10 of the 352 affordable homes completed in Barnsley, 72 were through shared ownership arrangements.

3.67 The shared ownership market is somewhat dogged by the relative complexity of the products and the continuing reluctance on the part of many lenders to readily provide mortgage finance for this type of tenure. This is an area of work that requires further investigation and discussions are currently ongoing with housing association partners to better understand the issues.

**Mortgage Arrears and Repossessions**

3.68 Over the last 12 months there has been a reduction in the both the total number of claims issued and the number of those that have led to court orders. This mirrors the national picture.

**Table 19: Action for Mortgage Arrears at Barnsley County Court**

<b>Time Period</b>	<b>No. Cases</b>	<b>%age change from equivalent timeframe 1 year earlier</b>
<b>Oct. 2009 – Sept. 2010</b>		
Possession claims issued	440	-29%
Possession claims leading to Court Orders	370	-30%

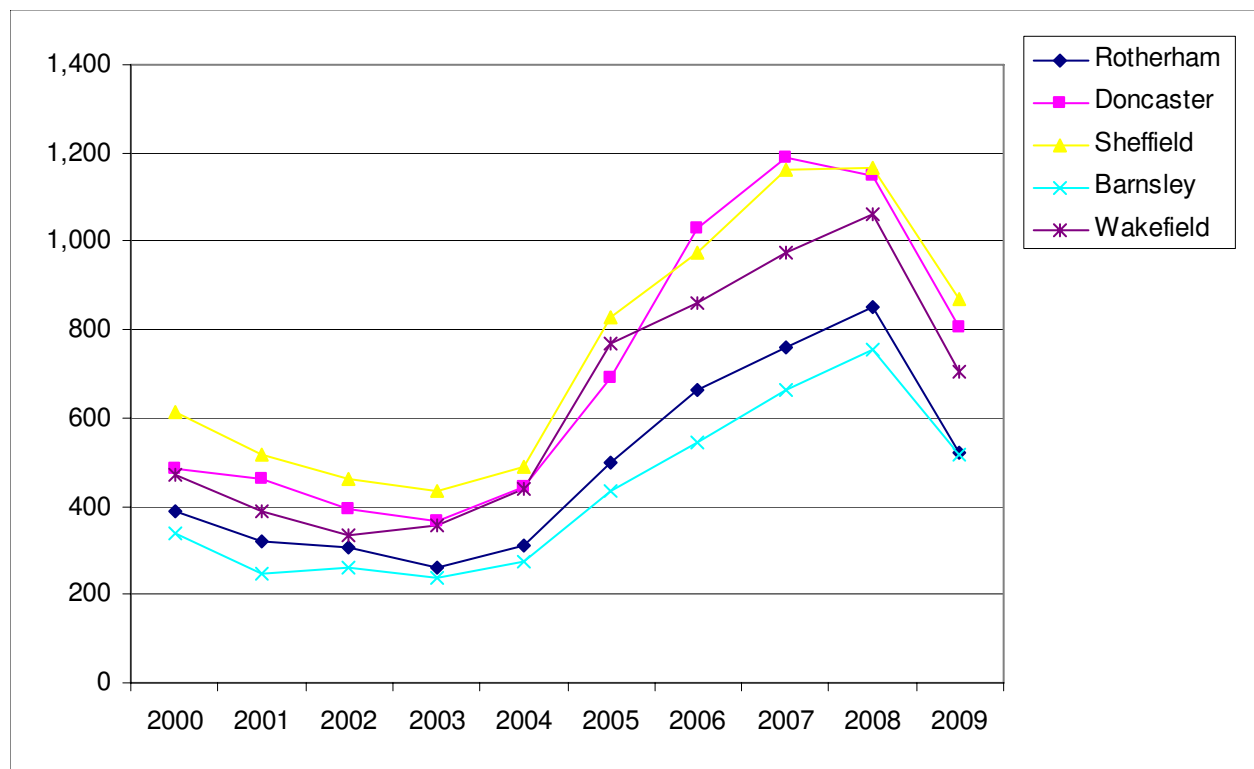
Source: <http://www.justice.gov.uk/publications/mortgatelandlordpossession.htm>

<sup>8</sup> Barnsley MBC Affordable Housing Viability Assessment, Three Dragons, (Aug 2010)

3.69 Low interest rates and lender forbearance measures, perhaps most notably the Mortgage Pre-Action Protocol which came into effect in November 2008, have undoubtedly helped to stem and reverse the number of repossessions. Forbearance on the part of lenders will only serve to delay the speed with which court action is entered into – it will not provide a solution for those households with ongoing and intractable mortgage arrears. Looking ahead to 2011 there can be no room for complacency given the likely impact of impending austerity measures, the prospect of job losses in the public sector and the ongoing fragility of the wider local economy.

3.70 The chart below illustrates the position in Barnsley vis-à-vis its neighbouring local authorities.

**Chart 5 – Mortgage Possession Claims in South Yorkshire LAs and Wakefield 2000-2009**



(Note – Barnsley is represented by the bottom line)

Source: Ministry of Justice

### **Private Rented Sector**

3.71 The private rented sector has a key role to play in providing choice and flexibility at all levels across the housing market and is becoming increasingly important for local authorities in helping them to achieve strategic housing objectives. This is especially so given the continued difficulties for many in accessing owner-occupation and ongoing shortfall in the supply of social housing.

- 3.72 It is estimated that there are currently some 10,600 households<sup>9</sup> living in the private rented sector across the Borough; this represents a significant increase on the figure of 6,680 as recorded in the 2001 census.
- 3.73 Rents in the private rented sector are set at open market levels and are in consequence higher than those levied for council and housing association properties. Average rent levels have fallen slightly over the last year as the table below illustrates. Some 4233 households in the private rented sector are in receipt of housing benefit (Sept. 2010) to assist them in meeting their rent payments.

**Table 20: Private Rented Accommodation Average Rent Levels**

Private Sector Renting	Weekly Cost					
	1 Bed		2 Bed		3 Bed	
	2009	2010	2009	2010	2009	2010
	£80.00	£80.00	£98.00	£90.00	£99.00	£98.00

- 3.74 Rent arrears can of course ultimately lead to eviction. The table below illustrates the total number of possession claims issued and possession claims leading to court orders over the last 12-months. Again, as with court action in regard to mortgage arrears, there has been a reduction in both the number of possession claims issued and the number that progress to court orders being granted.

**Table 21: Action for Rent Arrears at Barnsley County Court (Private Sector and Social landlords)**

Time Period	No. Cases	%age change from equivalent timeframe 1 year earlier
Oct. 2009 – Sept. 2010		
Possession claims issued	525	-5%
Possession claims leading to Court Orders	375	-11%

Note: the majority of the possession claims are in respect of private sector tenancies but separate figures for private sector and social landlords not yet available.

Source: <http://www.justice.gov.uk/publications/mortgatelandlordpossession.htm>

- 3.75 Looking ahead to 2011 and beyond there are fears that changes proposed to the housing benefit system will result in a growth in rent arrears and greater risk of eviction as a result of this. The measures relating to housing benefit, to be introduced from April 2011, include:

<sup>9</sup> BMBC Private Sector House Condition Survey (2010)



- the ending of ‘top ups’ to the local housing allowance;
- the resetting of the local housing allowance at the 30th percentile of local rents (as opposed to the average (median) level);
- reductions in housing benefit for claimants on job seekers allowance who remain out of work after a 12 month period;
- Increasing deductions for households containing non-dependents.

3.76 In the CSR further plans were announced to cut housing benefit payments for private rented sector tenants by increasing the age threshold for the shared room rate from 25 to 35 as from 2012. The shared room rate is lower than all other housing benefit payments and is currently paid to claimants under 25.

3.77 The private rented sector in Barnsley needs to make a greater contribution to meeting housing needs across the Borough. However, some of the very worst housing conditions, sometimes exacerbated by poor management standards, continue to be found at the bottom end of this sector<sup>10</sup>. A renewed focus is required to improve matters and to this end a review of the existing landlords’ accreditation scheme (run in conjunction with the Barnsley Residential Landlords’ Association) has been carried out. The proposals arising from this review are set out in section 5 of this report.

### **Homelessness and Housing Advice**

3.78 In last year’s State of the Housing Market report there was a concern that the continuation of the economic downturn and collapse in the housing market would result in a significant increase in the number of households presenting themselves as homeless. However, the re-fashioned Housing Options, Advice and Homeless Prevention Service, as Members will be aware, places a premium on *preventative* work.

3.79 This approach, coupled with the introduction of a variety of national measures to prevent homelessness (not least the Mortgage Rescue Scheme which is designed to prevent mortgage repossessions and help homeowners remain in their home and was adopted by the Council in March 2009) has helped to produce a further *decrease* in the number of households presenting as homeless as a result of threatened repossession. At the same time there has been an increase in the provision of housing advice linked to repossession and affordability issues.

3.80 The tables below illustrate this point:

**Table 22: Homeless Applications as a Result of Threatened Repossession**

<b>Period</b>	<b>No. Cases</b>	<b>+/- (Over Previous Year)</b>
Oct 2006 – Sept 2007	31	-
Oct 2007 – Sept 2008	53	71% increase
Oct 2008 – Sept 2009	39	26% decrease
Oct 2009 – Sept 2010	17	Further 56% decrease

<sup>10</sup> BMBC Private Sector House Condition Survey 2010 & The Private Rented Sector in South Yorkshire (2009)

**Table 23 - Housing Advice linked to repossession and affordability issues**

	<b>No. Cases</b>	<b>+/- (Over Previous Year)</b>
Oct 2006 – Sept 2007	27	-
Oct 2007 – Sept 2008	47	74% increase
Oct 2008 – Sept 2009	121	157% increase
Oct 2009 – Sept 2010	214	Further 77% increase

- 3.81 Looking ahead to 2011 there is a concern that the incidence of homelessness may increase. The package of austerity measures to be introduced imminently by the new Government has been well-trialed; these are likely to result in job losses and as a result growing rent and mortgage arrears. No doubt with this possibility in mind the CSR announcement on 20<sup>th</sup> October included, at a national level, the sum of £200 million to enable a continuation of the Mortgage Rescue Scheme (in which Barnsley MBC participates).
- 3.82 A recent reduction in the rate of interest (from 6.08% to 3.67%) through the Support for Mortgage Interest (SMI) scheme will worsen the position of some borrowers in difficulty with their mortgage payments whilst the proposed changes to housing benefit (outlined at in 3.75 above) will in all likelihood increase rent arrears in the private sector.
- 3.83 In short, it is envisaged that there will be increased demand for housing related advice to prevent homelessness across all tenure types and additional pressure will be placed upon the Housing Options Advice & Homelessness Prevention Team in meeting this demand. This, allied to the reduced availability of social housing in the Borough and the increasing demand for this, will necessitate further work to improve access to private rented accommodation and may result in more homeless households needing to use temporary accommodation and possibly for longer periods.
- 3.84 The Council continues to work closely with the South Yorkshire Credit Union (SYCU) and Barnsley Citizens' Advice Bureau (CAB) in addressing debt related matters and promoting access to financial services. Both agencies along with the Housing Options Advice & Homelessness Prevention Team work to identify the potential for homelessness and to prevent this where possible.
- 3.95 The tables below highlight the main reasons for homelessness and housing advice approaches to the authority 2009/10.

**Table 24: Housing Advice Requests 2009/10**

<b>Problems in Private Rented Sector</b>	<b>Parents / Other Relatives / Friends Unwilling to Accommodate</b>	<b>Mortgage Arrears / Repossession / Other Loss</b>	<b>Non Violent Relationship Breakup</b>	<b>Violence Involving Partner</b>
457	324	244 (includes mortgage rescue scheme referrals)	170	85

**Table 25: Homelessness Applications 2009/10**

<b>Parents / other relatives / friends unwilling to accommodate</b>	<b>Problems in Private Rented Sector</b>	<b>Non violent relationship breakup</b>	<b>Leaving NASS (asylum) accommodation</b>	<b>Violence involving partner</b>	<b>Mortgage arrears / repossession / other loss</b>
254	105	69	69	46	26

**Specialist & Supported Housing Agenda**

- 3.96 BMBC Strategic Housing works closely with BMBC Adult Services to ensure that accommodation provision is made for those who are vulnerable and may need specialist or supported housing.
- 3.97 In recent years excellent progress has been made in regard to the provision of high quality affordable housing for older persons, most notably in the form of extra-care provision; to date 2 schemes are up and running (at Kendray and Royston) with another 2 under construction (at Goldthorpe and Hoyland). In addition a number of affordable housing developments that are currently ongoing include the construction of bungalows, perhaps most notably the development at Grange Close, Brierley.
- 3.98 The programme of major adaptations (to properties in both the council and private sector) is also another important element within this agenda. In 2009/10 over 500 homes were adapted to enable people with mobility problems to continue living independently in their own homes. The adaptations programme remains a priority for investment in future years.
- 3.99 Other priorities for investment include a direct access facility for the homeless and the development of a bond guarantee scheme to enable greater access to housing in the private rented sector – section 5.15 to 5.18 of this report

covers this latter issue in greater depth. The existing range of services currently provided under the Supporting People regime is under review to identify the scope for savings, some of which could then potentially be used to meet the revenue costs associated with these priorities.

3.100 Work continues, within the context of the local development framework for planning, to identify potential locations for new gypsy and traveller sites for inclusion in the Development Sites Development Plan Document. New sites are required to meet an identified shortfall in pitch provision which in turn will reduce the incidence of unauthorised encampments.

### **Housing Conditions**

3.101 Housing conditions in the council sector have improved markedly over the last 5-years as a result of the implementation of the Decent Homes programme. As at the end of June 2010 only 2.5% of the stock failed to reach the Decent Homes standard; all council properties will have achieved full decency by the end of 2010/11.

3.102 However, the recently completed private sector housing stock condition survey reveals a bleaker picture in regard to the private sector, particularly so in regard to the private rented sector. Some 36.3% of owner-occupied stock is non-decent whilst the non-decent figure for private rented housing is 45.7%. A full definition of the decency standard is set out at appendix B.

3.103 The overriding message is that the very worst housing conditions are to be found at the bottom end of the private rented sector and that vulnerable households more often than not find themselves having to endure such conditions. An executive summary of the survey report can be found at appendix C.

3.104 Members should note that a high quality private rented sector is desirable, enabling:

- greater use of private monies to meet housing needs
- a reduction in pressure on the local authority waiting list for council housing &
- a decrease in the need for regulation in regard to housing condition

3.105 The table below presents a summary of the key headline findings from the 2010 private sector housing stock condition survey.

**Table 26: Key findings from the House Condition Survey 2010**

Characteristic	Owner Occupied	Privately Rented	All Private Sector Stock	England
Dwellings	71,470	10,610	82,080	
<i>Per cent of stock<sup>1</sup></i>	69%	10%	79%	
Non decent	25,950	4,850	30,800	
<i>Rate</i>	36.3%	45.7%	37.5%	35.8%
Vulnerable in decent homes <sup>2</sup>	12,070	3,500	15,570	
<i>Rate</i>	58.9%	53.5%	57.6%	61.0%
Vulnerable in non decent homes <sup>2</sup>	8,430	3,040	11,470	
<i>Rate</i>	41.1%	46.5%	42.4%	39.0%
Category 1 hazard	16,500	2,800	19,300	
<i>Rate</i>	23.1%	26.1%	23.5%	23.5%
In Fuel Poverty <sup>3</sup>	9,600	1,800	11,400	
<i>Rate</i>	13.4%	17.2%	14.7%	13.2%
Mean SAP <sup>4</sup>	57	56	57	48

1. Percentages given as a proportion of total housing stock, the remaining 21% is all social housing, which was not surveyed as part of this study
2. Refers to households in receipt of an income or disability benefit, as defined under former Public Service Agreement 7 objectives
3. Fuel poverty in this instance is based on gross income (households having to spend more than 10% of gross income on heating and hot water)
4. SAP is the government's Standard Assessment Procedure for rating energy efficiency on a scale of 1 (poor) to 100 (excellent)

### **Housing Investment Priorities**

3.106 In large measure housing interventions are of course a response to a variety of housing market failures or imperfections, the most obvious of which are affordability issues in overheating markets, neighbourhood decline in areas of market weakness, poor housing conditions and more recently a growing awareness that more needs to be done to reduce carbon emissions emanating from housing.

3.107 The housing priorities for the Borough were re-confirmed and approved by cabinet (report ref. 23.6.2010/8.2) earlier this year as part of the Local Investment Planning process with the Homes and Communities Agency. By way of reminder our housing priorities moving forward are set out in the table below:

**Table 27: Barnsley MBC Housing Investment Priorities 2010/14**

<b>Investment Priorities</b>	<b>HCA Investment Theme</b>	<b>Comment / High Level Justification</b>
Affordable Housing – across the Borough	Affordable Housing	Ongoing affordability problems
Rural Housing	Affordable Housing	Affordability problems at most acute in rural west of borough
<b>Housing Regeneration</b> <ul style="list-style-type: none"> <li>• Dearne Valley* (Housing Market Renewal and Renaissance Market Town programmes)</li> <li>• Green Corridor*</li> <li>• Barnsley*</li> <li>• Worsbrough*</li> <li>• New Lodge*</li> <li>• Former Coalfield Communities Housing</li> </ul> * = existing programmes	Growth and Renewal	Continuation of existing programmes of work.  Pockets of sub-standard housing in some former coalfield communities (which to date have not benefitted from housing regeneration works)  Housing regeneration works to be aligned to plans for housing growth
Home Energy Efficiency	Existing Stock	Alleviation of fuel poverty and reduction in carbon footprint of borough
Supported Housing & Adaptations Programme	Affordable Housing & Existing Stock	Ageing population – new provision and adaptation of existing stock Insufficient no. of gypsy and traveller pitches. Established need for direct access provision for the homeless.
Better use of the private rented sector	Existing Stock	Expansion of accredited landlords scheme to increase access to good quality, well managed accommodation
Balancing the Housing Revenue Account	Existing Stock	Requirement to secure investment levels to maintain council housing stock in good condition after completion of Decent Homes Programme.
Empty Homes (private sector)	Existing Stock	Increase supply of housing by returning to use long-term empty homes
Housing Growth	Growth and Renewal	Delivery of housing growth ambitions

- 3.108 The immediate focus will be to ensure that schemes that have already commenced are seen through to completion, principally the Housing Market Renewal programme in the Dearne and the Green Corridor programme in the north-east of the Borough. An update on delivery against our major ongoing investment programmes is provided at appendix D. The extent to which we can move forward with the total programme during 2011/14 is of course heavily dependant on the outcome of the comprehensive spending review and the local service and financial planning that will ensue.
- 3.109 The CSR has made it clear that funding for regeneration and housing growth from 2011 onwards will be channelled through the emerging arrangements for Local Enterprise Partnerships. It is proposed that Barnsley will be within two LEPs based on the Leeds and Sheffield City Regions.
- 3.110 Ongoing negotiations at both a Leeds City Region and Sheffield City Region level as well as direct with the HCA have resulted in the Barnsley Dearne, Green Corridor and Barnsley Urban being given key strategic intervention status – alongside housing growth and our affordable housing programme. The Assistant Director, Strategic Housing, is working closely at a City Region level and with the HCA to finalise the resource scenario plans.
- 3.111 The CSR announcement is particularly bleak in regard to funding for private sector renewal works. Officers within BMBC Strategic Housing are currently working to identify other potential funding sources to help to enable the very worst housing conditions in the private sector to be tackled.
- 3.112 The Council will continue to promote mixed use housing provision, from aspirational open market housing to good quality affordable housing provision. However, given the reducing land assets of the Council and its partners together with reductions in public funding there will be a strong case for making best use of the existing housing stock, particularly within the private sector. It is therefore proposed that options to further develop private sector leasehold management schemes, and how these may be linked to use of commuted sums through planning provision be fully explored.
- 3.113 In regard to securing the financial future for council housing a great deal hinges on the self-financing settlement for Barnsley. The new Government has indicated that self-financing will be mandatory and that the start date for implementation will be April 2012. As with so much else in this report, the details of the offer will become clear as part of the comprehensive spending review announcement. It is likely that the self-financing offer for Barnsley will be less generous than the initial offer that was reported to cabinet in June, (cab.9.6.2010/6.1). There is likely to be significant pressure on the Housing Revenue Account and work is ongoing to ensure a balanced budget in the short to medium term. Once the detail of the offer for Barnsley is known officers will remodel the implications for council housing in the Borough and bring forward a further report on this matter in early 2011.

3.114 Once the matter of self-financing has been concluded work will continue on the long term ALMO futures agenda and a recommendation for the management of the council stock will be made and a further report presented in early 2011.

#### **4. Consideration of Alternative Approaches**

- 4.1 The key recommendation arising from this report is the launch of a revised private rented sector accreditation scheme. The most obvious alternative approach would be to simply continue with the existing landlords' accreditation scheme but this begs the question as to whether or not such a course of action would enable the Council to respond adequately to the impact of changing housing market conditions and get the most out of the private rented sector to help to meet strategic housing needs.
- 4.2 The private rented sector has grown significantly in recent years whilst the size of the social rented sector (and more recently the owner-occupied sector) has diminished. Affordability issues continue to frustrate access to the owner-occupied sector for many first-time buyers with the upshot that we now have historically high numbers of people of the local authority housing waiting list. Given these changes it is imperative that we put measures in place to enable better access to good quality, affordable housing in the private rented sector that in turn helps us to meet our strategic housing objectives.
- 4.3 A review of the existing landlords' accreditation scheme has recently been carried out against the backdrop of changes in the housing market. The conclusion of the review is that the existing scheme as it currently exists will not enable us to respond fully to the challenges presented by private rented housing as set out below at paragraph 5.5. As such, continuation with the existing landlords' accreditation scheme is not recommended.
- 4.4 Another possible alternative approach would be to pursue further enforcement measures. Officers in BMBC Regulatory Services already take enforcement action under the Housing Health and Safety Rating System arrangements but further tools are potentially available, perhaps most obviously through the introduction of additional discretionary licensing schemes to govern the private rented sector as provided for within the Housing Act 2004. However, the legislation regards additional licensing schemes as a last resort to be used after all other avenues, such as accreditation, have been fully explored.
- 4.5 In addition, additional licensing schemes would require additional resources to implement and run which, in the present budgetary climate would be very difficult to identify. The proposals for the revised accreditation scheme can be delivered within existing resources and as such represent a cost effective alternative to additional licensing schemes.
- 4.6 Another approach would be to act in a more proactive manner in regard to generic enforcement powers. For example, enforcement officers within Barnsley MBC Regulatory Services could target specific areas to improve housing conditions and the local environment or, perhaps more generally



engage in awareness raising exercises (through the use of questionnaires, advertising and door knocking etc.). In reality such an approach in itself wouldn't be an alternative but rather a parallel piece of work that complements what Strategic Housing is aiming to achieve through a strengthened approach to accreditation. Strategic Housing and Regulatory Services will both act, resources permitting, to remedy the serious disrepair highlighted in the Barnsley MBC Private Sector Stock Condition Survey 2010.

## **5. Proposal and Justification**

5.1 In the review of the housing market presented above three issues stand out:

- Ongoing problems regarding affordability and the consequent growth in demand for affordable housing as illustrated by a further increase in the numbers of applicants on the local authority's housing waiting list
- The growth in the private rented sector
- The concentration of the very worst housing conditions in the private rented sector

5.2 The need to increase the supply of affordable housing is already a high level priority for the Council within the context of the Sustainable Communities Strategy and Local Area Agreement. Significant amounts of funding have been attracted and this has enabled a healthy new build programme to take shape and grow during the period 2008/11. This programme needs to continue in the 2011/14 period and a strong case for this has been presented to and accepted by the Homes and Communities Agency. We have established partnerships in place ready to deliver but further progress in the years ahead is of course heavily dependant on adequate funding and a healthy economic backdrop. However, the prospect of sustained economic recovery is questionable whilst the national budget to support new affordable housing development has been cut by 60% to £4.4 billion for 2011-15.

5.3 The growth in the private rented sector presents the local authority with both a challenge and an opportunity. The challenge is to do more to help (often vulnerable) households improve their housing conditions whilst the opportunity that this presents is to lessen the ever growing pressure on the local authority housing waiting list by enabling access to good quality, affordable accommodation in the private rented sector.

5.4 The following proposals will greatly assist the local authority to respond effectively to both the opportunities and challenges presented by a growing private rented sector:

- The launch of a revised private sector landlords' accreditation scheme (rebadged the Barnsley Accreditation Scheme – Improving Private Rented Homes)
- The creation of a Bond Guarantee Scheme coupled with housing support where required to help to ensure the sustainability of some of the tenancies of the more vulnerable households.

### **Private Rented Sector Accreditation Scheme**

5.5 Members will be aware that in 2003 a landlord accreditation scheme was launched in partnership with the Barnsley Residential Landlords Association (BRLA). Cabinet report ref. cab.25.6.2003/11.2 refers. Whilst this scheme has helped the Council to develop a good working relationship with private sector landlords a number of emergent issues have led to a full review of the existing scheme. These issues can be summarised as:

- The need to extend accreditation to match the growth in the private rented sector – accreditation has grown slowly under the current scheme to cover some 75 landlords but this has not kept pace with the growth in the number of privately rented homes. The current scheme rules prevent managing agents from joining the existing accreditation scheme which has served to stymie the growth in accreditation. The inclusion of managing agents could be especially useful in those parts of the Borough which have a high incidence of absentee landlords; this is the case in the Dearne where some 19% of private rented properties are in the hands of absentee landlords.
- The need to update the scheme in light of changes in fire safety regulations and the introduction of the Housing Health and Safety Rating System in regard to housing condition.
- The new Government has made it clear that they do not intend to introduce mandatory measures to further regulate the private rented sector – as such it is all the more important to have a strong, far reaching accreditation scheme.
- Complaints (received by BMBC Regulatory Services) from private sector tenants concerning their accommodation have risen over the last 5-years. A strengthened accreditation scheme will potentially reduce the numbers of such complaints.
- Homelessness and housing advice referrals frequently stem from difficulties private rented sector tenants find themselves in. A strengthened accreditation scheme will potentially reduce the number of such referrals.
- There is a need to strengthen the monitoring and administration of accreditation arrangements so as to improve intelligence in regard to this sector, which in turn will feed into ongoing service planning arrangements. Whilst the Barnsley Residential Landlords Association has shared this task with the Council the information in the database that has been built to date is a little thin; this situation will be improved
- By transferring sole responsibility for scheme administration to the Council.

5.6 Discussions took place with the Barnsley Residential Landlords Association in early 2010 and agreement was reached regarding the need to review the existing scheme. The review process was led by BMBC Strategic Housing and involved close consultation with a range of stakeholders including Barnsley

Residential Landlords Association other landlords and managing agents and a variety of council services whose work impacts on the private rented sector. The key objectives of the revised accreditation scheme are to:

- Improve housing conditions
- Improve management practices
- Improve access to good quality, affordable housing

5.7 The essential features of the revised scheme are:

- Fit and proper person check to ensure competence and suitability of landlords & managing agents.
- Statement of property standards and production of property upgrade plans to help scheme members improve properties to the required standard.
- Random property inspections.
- Tenant finding service.
- Grant assistance to encourage landlords and managing agents to improve properties so as to better assure the health and safety of tenants – the proposed grant conditions are attached at appendix E.
- A complaints resolution mechanism.
- A monitoring and review mechanism.

It is anticipated that the revised scheme can be officially launched in January 2011. Further information on the workings of the scheme can be found at appendix F.

5.8 It is proposed that an Accredited Tenants Scheme will also run as an integral part of the Barnsley Accreditation Scheme. The purpose of this scheme is to officially acknowledge those tenants who have acted in a responsible manner in the conduct of their tenancies. The achievement of accredited tenant status will effectively provide such tenants with a strong reference if and when they move on to different accommodation with a different landlord. More information of the Accredited Tenants Scheme can be found at appendix G.

5.9 During 2010/11 BMBC Strategic Housing (working in partnership with Berneslai Homes) launched a private sector leasing scheme. Private sector landlords who benefit from assistance under the Council's Empty Homes scheme are obliged to lease properties returned to use to the Council for 5-years; such properties pass into the management of Berneslai Homes and are used to provide accommodation for people on the local authority waiting list. The private sector leasing scheme can now be aligned with the new Barnsley Accreditation Scheme to help to further develop private sector leasing.

5.10 It is also anticipated that the launch of the Barnsley Accreditation Scheme will enable the Council to work more effectively with the Barnsley College and Huddersfield University (Barnsley campus) in regard to expanding the amount

of good quality accommodation suitable for occupation by the growing student population in the Borough.

- 5.11 In effect the Barnsley Accreditation Scheme will start from scratch in terms of membership. We anticipate an initial membership of approximately 100 landlords and managing agents based on the existing membership of Barnsley Residential Landlords Association and other expressions of interest that have been received from other bodies, most notably the Alliance of Professional Landlords. Data held by the Council's Benefits Service reveals that there are some 925 landlords in receipt of direct payments of housing benefit; the total number of landlords is likely to be in excess of this figure.
- 5.12 It is anticipated that the new scheme will extend the reach of accreditation across the Borough. The table below presents indicative targets for the growth in membership.

**Table 28: Targets for Growth of Barnsley Accreditation Scheme:**

	Actual		Targets			
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
<b>No. of accredited landlords &amp; managing agents</b>	66	75	100*	150	200	250

\* It is likely that the target for 2010/11 will include some accreditation applications made but not yet processed.

- 5.13 It is not possible at this stage to forecast the number of accredited properties that will result from the introduction of the Barnsley Accreditation Scheme due to unreliable nature of the data currently held and lack of information on the average landlord / managing agent portfolio size of properties in Barnsley. However, once the new scheme is up and running we shall be able to gather relevant data and make forecasts.
- 5.14 The Council has a number of other dealings with landlords and managing agents across the Borough, perhaps most notably in regard to housing benefit administration and the registration and licensing of housing in multiple occupation; these channels will be used in the promotion of the Barnsley Accreditation Scheme.

### **Bond Guarantee Scheme**

- 5.15 Many prospective private rented sector tenants in Barnsley have difficulty accessing private rented accommodation as they are unable to provide a deposit (typically 1 months rent in advance) at the start of the tenancy which, in turn, leads to further pressures on the local authority housing waiting list. Many local authorities across the country operate rent bond guarantee schemes to overcome this issue. In essence such schemes work by providing

a guarantee to landlords that a bond will be paid if the property has been damaged as a result of tenant(s) failing to adhere to tenancy terms and conditions.

- 5.16 Some bond guarantee schemes include a requirement that tenants save money for the deposit which can then be transferred to the landlord at the point in time at which the bond expires. It is also prudent to ensure that some form of housing support is provided in regard to the more vulnerable tenants so as to reduce the risk that tenancies fail, necessitating the payment of bonds.
- 5.17 The creation of a bond guarantee scheme in Barnsley will help to bolster the proposed Barnsley Accreditation Scheme and help to provide sound accommodation for some of the more vulnerable residents of the Borough. In addition it would help the South Yorkshire Credit Union in that this body currently, on occasion, provides loans for rent deposits; clearly if a bond guarantee scheme were in operation the Credit Union's funding would go further in regard to providing loans for other pressing matters.
- 5.18 Officers have already held initial discussions regarding the creation of a bond guarantee scheme and such a development has recently been recommended as a future funding priority by the Supporting People Joint Commissioning Body.

## **6. Delivering Sustainable Community Strategy Ambitions and Local Area Agreement Outcomes**

6.1 The Local Area Agreement (2008-11) contains the following national indicators:

- NI 154 – Net additional homes provided
- NI 155 – Number of affordable homes delivered (gross)
- NI 158 - Percentage of non-decent council homes
- NI 187- Tackling fuel poverty – percentage of people receiving income based benefits living in homes with a low energy efficiency rating

The housing initiatives outlined in this report help the Council to deliver against these indicators. The particular focus of this report on accreditation in the private rented sector will help to alleviate the incidence of fuel poverty – the accreditation grant will help to meet the cost of insulation measures.

6.2 Housing is a priority issue for the Council and its partners and it is perhaps worthwhile restating the key role that housing has to play in regard to a number of cross-cutting agendas that are reflected in the Sustainable Community Strategy:

- Health: Poor housing conditions will result in poorer health – for example poor levels of home energy efficiency and fuel poverty can lead to an increase in winter illnesses and deaths, especially amongst the elderly and infirm. The focus in this report on accreditation as a key

means to improve poor housing conditions in the private rented sector will help to address health inequalities.

- Wellbeing of children and young people: A home should provide sufficient physical space to help children achieve their potential and a safe base from which to explore and learn.
- Economic development: The availability of housing of the right type and quality in the right locations will underpin economic development – without the correct mix of housing, the prospects for economic growth are less secure. In addition, house building and regeneration works, and the associated supply industries, bring employment and training opportunities to the Borough. It is estimated that the current new-build affordable housing programme and housing regeneration works creates some 1200 jobs per annum.

The table below provides a summary of the impact of housing activity on the delivery of the Sustainable Communities Strategy and the Local Area Agreement.

**Table 29: Impact of Housing Activity on the Delivery of the Sustainable Communities Strategy and the Local Area Agreement**

<b>Sustainable Communities Strategy - Ambitions</b>	<b>Local Area Agreement - Outcomes</b>
1 - Our communities are attractive, clean and sustainable places to live	1 - Improving the quality of life in our communities – Local physical environment Including quality of housing stock
2 - Barnsley is one of the safest towns in Yorkshire	2 - Improving the quality of life in our communities – Protecting the community from crime, disorder and other risks to their safety
5 - Barnsley people are healthier and live longer - adding life to years and years to life	5 - Promoting the health of the public and narrowing health inequalities
6 - Enabling adults to have healthy and fulfilling lives	6 - Securing the wellbeing of older and vulnerable people in need
7 - Barnsley children and young people - aiming high, enjoying life and seizing opportunity	7 - Securing the wellbeing of children, young people and families
9 - Building a prosperous and sustainable local economy	9 – Economic growth

## **7. Long Term Sustainability of the Proposal**

- 7.1 The proposals in this report, if implemented, will help to improve the long term sustainability of the private rented sector as means by which people can be well-housed. In blunt terms it will help to reduce some of the more squalid living conditions that can be found at the bottom end of the private rented sector.
- 7.2 Improving conditions in the private rented sector will help to reduce housing inequality and in so doing help to ensure a healthier and more just society. The availability of accreditation scheme grant funding to help meet the cost of insulation measures will help to improve environmental sustainability through a reduction in carbon emissions.

## **8. Impact on Local People**

- 8.1 There are no specific implications in the development of this report in terms of the Duty to involve local people (as set out in the Local Govt. and Public Involvement in Health Act 2007). However, further improving property and management standards through a strengthened private rented sector accreditation scheme will have a beneficial impact on private sector tenants and by extension local communities within which private rented housing is concentrated.

## **9. Compatibility with European Convention on Human Rights**

- 9.1 The proposals and recommendations within this report are compatible with the European Convention on Human Rights.

## **10. Promoting Equality and Diversity and Social Inclusion**

- 10.1 The revised private sector housing accreditation scheme has been subject to an equality impact assessment as part of its development. The proposals for the revised scheme have been found to be consistent with the promotion of equality, diversity and social inclusion. Arrangements are in place to monitor the scheme in operation in regard to equality and diversity issues.

## **11. Reduction of Crime and Disorder**

- 11.1 In investigating the options set out in this report, the Council's duties under Section 17 of the Crime and Disorder Act 1998 have been considered.
- 11.2 One of the key objectives of accreditation in the private rented sector is to improve management standards and to the extent that this succeeds it will

help to reduce incidences of crime and disorder that are linked to the occupancy of private rented housing. In addition, the accreditation grant will help to fund the cost of home security works which will help to reduce crime.

## **12. Conservation of Biodiversity**

- 12.1 There are no implications for the conservation of biodiversity arising directly from this report.

## **13. Risk Management Issues, including Health and Safety**

- 13.1 There is a clear risk that capital funding allocations for 2011/14 will be significantly reduced. If this risk materialises one of the major attractions of the scheme from the landlord perspective, namely the availability of grant assistance to improve property condition, will be placed in jeopardy with the result that the anticipated growth in accreditation is not achieved. This risk is will be mitigated moving forward by a careful examination of competing housing programmes with a view to ensuring that some funding is made available. In addition, all potential funding opportunities will continue to be explored and to this end officers are currently in early discussions with colleagues in Public Health.
- 13.2 It is possible that staff within the Housing Options Advice & Homelessness Prevention Team will experience an increase in demand for their services if, as expected, there is a marked downturn in the local economy during 2010/11. This risk will be mitigated through maintaining the existing complement of homelessness prevention officers by prioritising funding for prevention work from within the supporting people budget for 2011/12; this has already been identified as a priority for continued investment by the Supporting People Joint Commissioning Body (against a backdrop of budget savings for 2011/14).
- 13.3 Established lone working procedures are in place to provide an assurance in regard to safe working practices for officers engaged in property inspections.
- 13.4 The State of the Housing Market Report 2010 gives an overview of market weaknesses as well as outlining opportunities. The family of strategic housing documents that underpin this report – Local Investment Plan, Homelessness Strategy, Supporting People Strategy, and Berneslai Homes Delivery Plan – are all risk assessed and the risk elements and assessments therein are considered when compiling the reports.

## **14. Financial Implications**

- 14.1 Consultations on the financial implications have taken place with representatives of the Executive Director of Finance.
- 14.2 There are no financial implications arising from this report.



## **15. Employee Implications**

- 15.1 There are no employee implications arising from this report - the administration of the Barnsley Accreditation Scheme will be carried out by existing staff resources within BMBC Strategic Housing. In regard to a bond guarantee scheme, should resources be made available at a future date it is likely that this service would be provided by external providers and be procured through Supporting People arrangements.

## **16. Glossary**

CLG = Communities and Local Government

CML = Council of Mortgage Lenders

BRLA = Barnsley Residential Landlords Association

CSR = Comprehensive Spending Review

## **17. List of Appendices**

Appendix B – Decent Homes Standard

Appendix C – Private Sector Stock Condition Survey 2010; Executive Summary

Appendix D – Housing Investment Priorities; Delivery Update 2009/10

Appendix E – Barnsley Accreditation Scheme; Grant Conditions

Appendix F – Barnsley Accreditation Scheme; Overview

Appendix G – Accredited Tenants Scheme; Overview

Appendix H – Map of Housing Sub-markets in Barnsley MBC

## **18. Background Papers**

- Strong Foundations: Building Homes and Communities; Conservative Party Green Paper No. 10 (April 2009)
- The Coalition: our programme for government; HM Govt. (May 2010)
- Open Source Planning; Conservative Party Green Paper No. 14. (Feb. 2010)
- Planning Policy Statement 3 (PPPS) 3 Housing; Communities and Local Government. (June 2010)
- House Price Index, June 2010 – Communities and Local Government
- Tenure Trends in the UK Housing System: Will the private rented sector continue to grow?, Building and Social Housing Foundation (June 2010)
- The Private Rented Sector; its contribution and potential, Rugg and Rhodes, (2008)

- The Marmot Review – Fair Society, Healthy Lives (2010): A strategic Review of Health Inequalities in England post-2010

**Office Contact: Richard Kershaw Tel. 01226 772534 Date: October 2010**

## ANNEX

### THE STATE OF THE HOUSING MARKET 2010

#### Consultations

(a) **Financial Implications**

Consultations on the financial implications have taken place with representatives of the Executive Director of Finance. There are no financial implications arising from this report.

(b) **Employee Implications**

None arising directly from this report

(c) **Legal Implications**

None arising directly from this report

(d) **Policy Implications**

This report focuses in particular on the very worst housing conditions (that continue to be found at the bottom of the private rented sector). This has thrown into sharp relief the link between poor housing conditions and poor health and the need for much closer working between the housing and public health disciplines.

In the 2009 Comprehensive Area Assessment Inspection Barnsley MBC received one red flag, denoting an area of significant concern, in regard to health inequalities. In short people's health is worse in Barnsley than many other parts of the country and the gap is getting worse. Too many people die early and high numbers of people are living with a long-term health problem.

The recently published Marmot Review<sup>11</sup> makes clear the causal link between health inequalities and the conditions into which people are born, educated, work, are housed and age. Taking action to reduce inequalities in health in an effective manner necessarily entails interventions across the whole of society, including those related to improving poor housing conditions. Closer working between the housing and public health disciplines within Barnsley is currently ongoing in regard to the refresh of the Joint Strategic Needs Assessment and an assessment of the implications flowing from the recently completed private sector housing stock condition survey; hopefully this will lead to a situation whereby interventions that address both housing and public health issues can be jointly commissioned and funded.

The Executive Director for Public Health has been consulted on this matter.

(e) **ICT Implications**

None arising directly from this report

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<sup>11</sup> The Marmot review – Fair Society, Healthy Lives (2010)

(f) **Local Members**

Local members have not been consulted.

(g) **Health and Safety Considerations**

None arising directly from this report that requires consultation

(h) **Property Implications**

None

(i) **Implications for Other Services**

Berneslai Homes already operate a management service in regard to private sector housing and it is anticipated that they will achieve accreditation status as managing agents.

The implementation of a strengthened accreditation scheme may result in a reduction in referrals to Regulatory Services (in regard to poor housing conditions) and Homelessness and Housing Options Advice & Homelessness Prevention Team.

The Assistant Director for Regulatory Services, the Executive Director, Adults and Communities and the Chief Executive of Berneslai Homes have been consulted.

(j) **Implications for Service Users**

Landlords and managing agents will see an improvement in service delivery as a result of the implementation of the Barnsley Accreditation Scheme. In particular, the Barnsley Accreditation Scheme will help to provide a more cohesive and coordinated service delivery experience for landlords and managing agents who contact the Council for a range of services.

(k) **Communications Implications**

The BMBC Head of Communications has been consulted in regard to all scheme documentation.

It is anticipated that the Barnsley Accreditation Scheme will be launched in January 2011. Promotional events will take place and it is hoped that at least one of these will be run in tandem with a trade fair event for landlords and managing agents.

Promotional material will be produced in advance of the launch date, including press releases. In addition, the content of the Barnsley MBC website will be updated.