

Private Rented Sector – South Essex Evidence Review

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Dear Julie and David

Many thanks for inviting the South Essex Housing Group / Private Sector Housing Sub Group to make a response to your call for evidence as part of the new Rugg Review.

There are six authorities in South Essex represented on the Sub Group comprising the County Council, two Unitary and three District authorities:

- Essex County Council
- Thurrock Borough Council (Unitary)
- Southend-on-Sea Borough Council (Unitary)
- Basildon Borough Council (District)
- Castle Point Borough Council (District)
- Rochford District Council (District)

Our response is formulated around your original four questions re-stated below:

1. *Describe your local private rented sector. Please indicate how you have evidenced your account.*
2. *Are there any problems relating to the private rented sector in your area? Again, please present evidence for those problems.*
3. *What would you say are the major obstacles you face in attempts to resolve those problems?*
4. *Have you implemented any solutions that have had a demonstrable impact in dealing with the problems in your local private rented sector?*

Supporting evidence has been pulled together from our two previous SHMAs in 2013 and 2016, our latest quarterly Housing Market Trends reports (July 2017) and the recently completed South Essex Private Stock Modelling and Healthy Impact Assessment Summary Report (September 2017) by the British Research Establishment (BRE). Further insight supporting information is also included from the local authorities of Rochford and Basildon.

1. Summary

Over the past ten years the growth in the Private Rented Sector (PRS) has become a key feature of the South Essex housing stock and a significant driver in the local housing market. Between 2001 and 2011, the South Essex PRS was up by 6.1% while owner occupation fell by 5.1%. Private renting has surpassed social renting and the trend is set to continue. Basildon and Thurrock were the only authorities to still have slightly higher levels of social rented housing compared to private rented.

A number of households have been meeting their affordable housing needs through this tenure as it has grown in scale, however, it has also become the tenure for frustrated “would be” home owners including families with children who cannot afford to buy and are not eligible for social housing. Rents have increased significantly across all South Essex local authorities and the widening gap between market rent and the Local Housing Allowance

(LHA) is placing a serious strain on the lower middle income group who are not eligible for social housing but rely partly or wholly on Housing Benefit payments set by the LHA to meet their housing need.

Key issues arising from this South Essex evidence review are as summarised below:

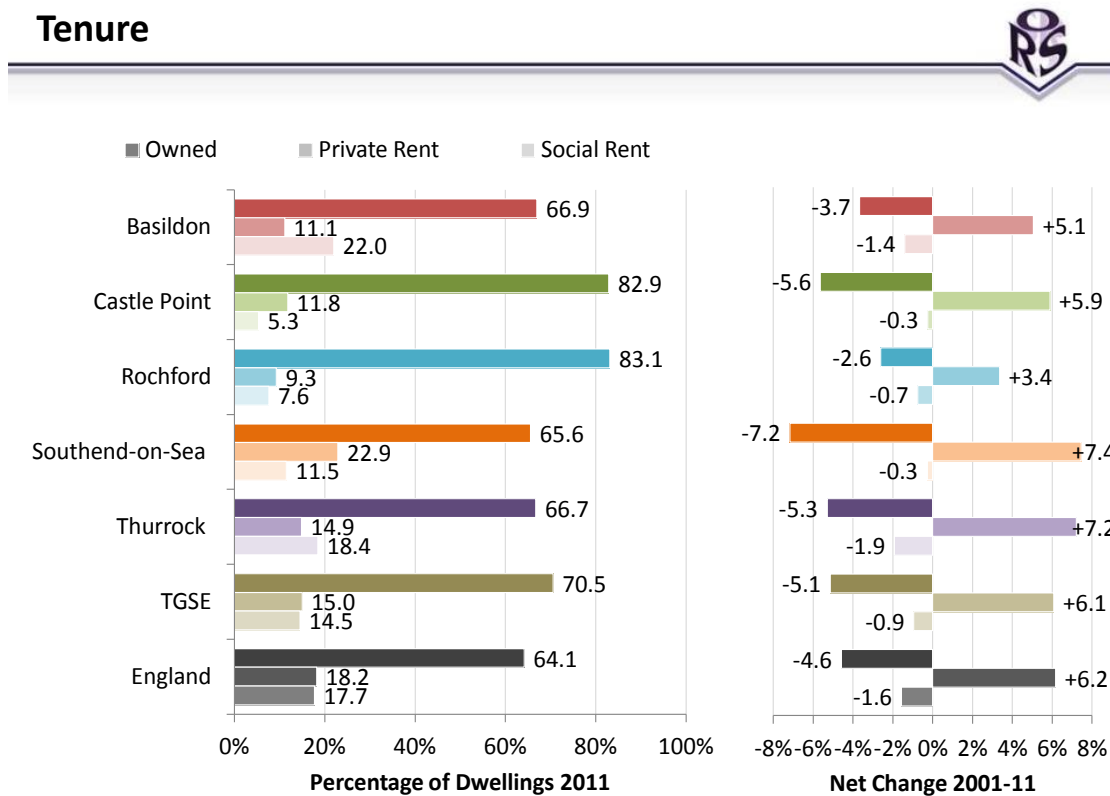
- Growth in the PRS has been largely unplanned / unstructured; arising from changes in the housing / property market following the recession in 2007/08.
- To-date the PRS in South Essex has not contributed in any significant way to new supply but been reliant for growth on the tenure conversion of existing owner occupied stock.
- This limited supply combined with relatively high property prices has resulted in a recent rapid increase in rents. As evidenced the gap between LHA and private rent is widening. Private landlords are not always taking clients in receipt of LHA.
- Residents in private renting in South Essex spend as much as 42% of their earnings (resident based) on monthly rent.
- Some 50,500 residents claim LHA in South Essex of which 43% are in the private rented sector which exceeds the national average of 34%.
- Just under a quarter of all private renting residents claim LHA. This is notably higher for Castle Point and Southend-on-Sea, highlighting the important role of this tenure in meeting need. All authorities surpass the England rate of 15.9%.
- The SHMA 2016 report estimates that the private rented sector meets the affordable needs of around 1,000 households per year across South Essex, with the tenure playing a significant role in Southend-on-Sea in particular. This suggests that the private rented sector has and is likely to continue to play a substantial role in meeting the affordable housing needs of households in South Essex.
- Despite this, Welfare Reform and de-regulation including recent changes to the Buy-to-Let market by the Government; is contributing further to the short supply, high rent and worsening affordability.
- Private rented accommodation is more likely to be in poor condition than other tenures. This has been consistently evidenced in BRE's latest Stock Modelling Summary Report.
- 19% of private rented stock is estimated to have a category 1 hazard compared to 14% for all private sector stock in South Essex and 15% for England.
- Of the 14% of private sector stock in the region estimated to have a category 1 hazard, the greatest proportion is in Southend-on-Sea (20%) and the lowest are in Basildon (11%).
- There are an estimated 48,598 category 1 hazards in the private stock across South Essex with an estimated 2,275 harmful events requiring medical treatment annually. The estimated cost of mitigating all these hazards is £87.6m and the total savings to society are estimated to be nearly £74m annually.
- The South Essex Private Sector Housing sub group has worked with private owners to renovate empty properties in the sub region and make them available to rent for people in housing need contributing to the overall reduction in empty homes across the sub region and increase in good quality privately rented accommodation.
- It is important to recognise the good work of local authorities and responsible landlords who are seeking to improve standards in the PRS. Engagement through Landlord Forums and the South Essex Alliance of Landlords (SEAL - <http://www.southeastalliance.org/>) provides a good mechanism for achieving this.

2. Describing our PRS in South Essex

Nationally, the Private Rented Sector has seen a sustained growth of 6.2% between 2001 and 2011. The sector has already over taken the social rented sector comprising 18.2% of all tenures in 2011 and is predicted to increase further to 22% by 2025. Whilst homeownership remains the dominant tenure, the sector has fallen from 68.7% in 2001 to 64.1% in 2011.

Locally in the South Essex sub region the trends are similar, with the average PRS across the five local authorities at 15% in 2011, up 6.1% from 2001, the social sector at 14.5%, down by 0.9% and home ownership at 70.5% but down by 5.1% respectively.

Fig 1: Household Tenure by Area. Note: Private Rent includes tied housing and living rent free



Source: SHMA 2013 Report / UK Census of Population 2001 & 2011, Opinion Research Services

The position by local authority area can be summarised as follows:

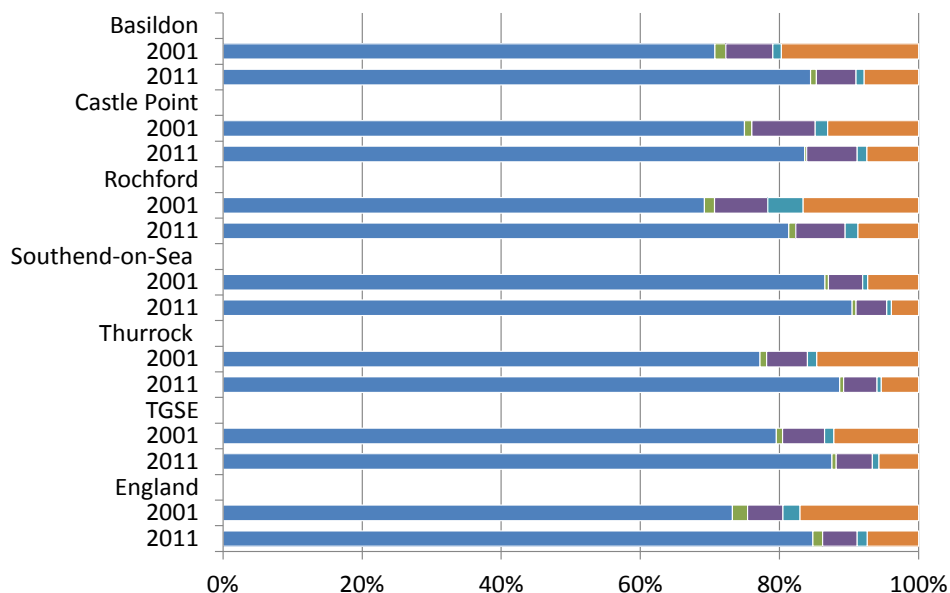
- All authorities have seen a decline in owner occupation most notably in Southend-on-Sea (down 7%)
- All authorities have seen a rise in Private Rent most notably Thurrock and Southend-on-Sea (up 7%)
- Southend-on-Sea has significantly higher levels of private rented accommodation relative to the other South Essex authorities and England.
- Rochford, Castle Point and Southend-on-Sea have more private rent than social rent
- Renting from a private landlord or letting agency is the predominant entry point for the Private Rented Sector

Fig 2: Categories of Private Rented Housing by Area

Private Rent



- Rented from a private landlord or letting agency
- Rented from employer of a household member
- Rented from relative or friend of a household member
- Other rented
- Live rent free



Source: SHMA 2013 Report / UK Census of Population 2001 & 2011

The above graph shows the considerable increase in people renting from a Private Landlord or Letting Agency between 2001 and 2011. Taken in conjunction with Figure 1 they show how Private Renting has expanded via renting from a Private Landlord or Letting Agency rather than other forms of Private Renting.

Insight: Basildon BC Summary of Private Rented Sector

Private rent remains a minority tenure in Basildon Borough however, since 2001, it has been the fastest growing tenure. It has been estimated by BRE that the private rented sector has now expanded to 13% of the borough.

The South Essex SHMA 2016 report indicated that 61% of households are able to afford to privately rent a property in the borough.

Basildon Housing Needs Review 2015 found that 22% of newly forming households expected to privately rent but only 7% indicated that this was a preferred form of tenure.

The Housing Need Review also found that private rented sector was found to be disproportionality occupied by younger households and BME Households with 15% of under 35 and 17% of BME households living in the private rented sector.

3. Issues facing our PRS

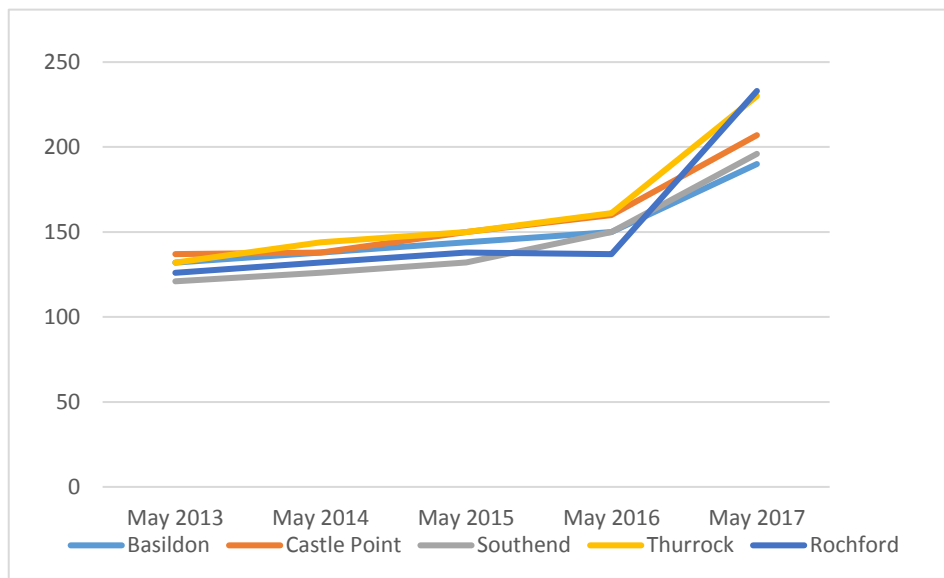
High Rents

The increasing demand for PRS property has been pushing rents up. For South Essex, rents according to Hometrack data have accelerated particularly over the last year May 2016 – May 2017. Rochford has seen the largest median increase in weekly rent for one bed-room properties at £96 followed by Thurrock at £69, Castle Point at £47, Southend at £46 and Basildon at £40, largely due to shortage of supply.

Table 1: Median Rent for 1 bed-room property

Renting May 2013-17	Basildon	Castle Point	Southend	Thurrock	Rochford
May 2013	132	137	121	132	126
May 2014	138	138	126	144	132
May 2015	144	150	132	150	138
May 2016	150	160	150	161	137
May 2017	190	207	196	230	233

Fig 3: PRS Rent 1 bed property



Source: Hometrack / TGSE Housing Market Trend Reports

Widening gap between median rent and Local Housing Allowance

The table over-page shows the weekly cost of private median rent for a one bed room property compared to the LHA across the five South Essex local authorities based on May 2017 prices. Affordability is generally worsening, with the gap between the Local Housing Allowance (LHA) and private rent widening significantly over the past year, now as much as £116 per week in Rochford.

Table 2: Gap between weekly cost of renting 1 bed property and the Local Housing Allowance

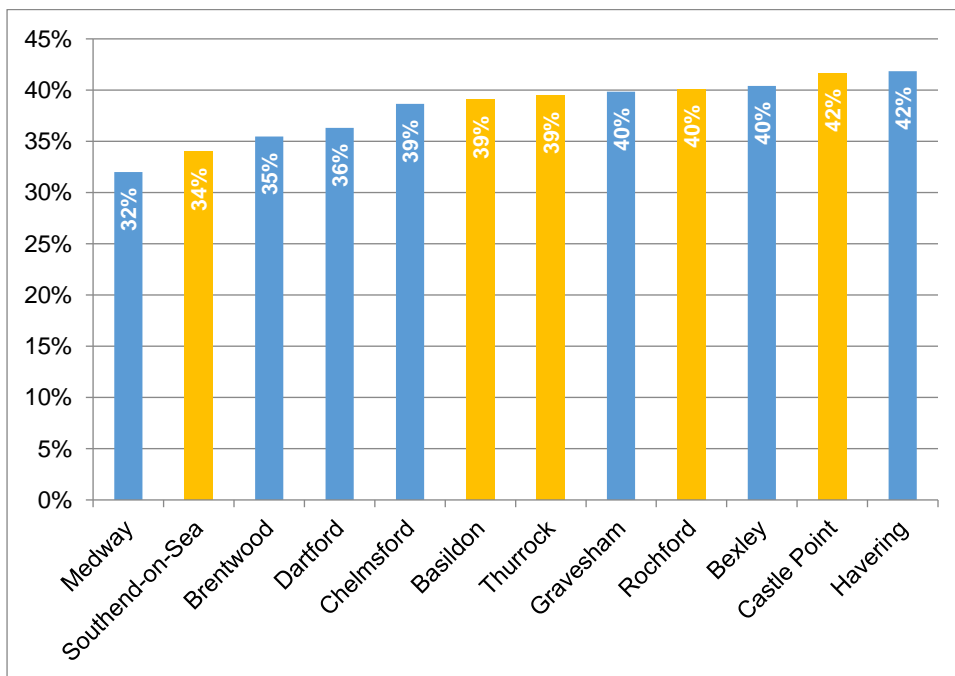
	Southend	Thurrock	Basildon	Castle Point	Rochford
Renting (private) May 2017	196	230	190	207	233
Local Housing Allowance	117	128	128	117	117
Gap LHA & renting May 17	-79	102	-62	-90	-116
May 16	-33	-33	-22	-43	-20

Source: Hometrack / Valuation Office Agency

Proportion of earnings spent on private rent

The SHMA 2016 report commissioned via Turley also explores the relative affordability of housing in the PRS. Evidence published by ONS compares median monthly private rents with residence-based median gross monthly salary for each local authority in England, and the following chart shows the implied proportion of income spent on rent in South Essex and neighbouring authorities. **This indicates that residents of Castle Point spend a greater proportion of their monthly earnings (42%) on the cost of private rent**, while residents of Southend-on-Sea spending a slightly smaller proportion of their earnings (34%) on rent.

Fig 4: Monthly Rent as a Proportion of Resident-based Earning 2014



Source: ONC 2015, Turley

LHA claimants in rented accommodation

The extent to which households with affordable housing needs occupy housing in the private rented sector can be estimated, utilising the most recent data release from the Department for Work and Pensions with a base date of February 2015. This shows the number of local housing allowance (LHA) recipients residing in households within the private rented sector in each of the five South Essex authorities, with England also presented for comparison.

Table 3: Rented Tenure of LHA Claimants

	Social rented	Private rented	Total LHA claimants
Basildon	76.5%	23.5%	13,902
Castle Point	35.6%	64.4%	4,425
Rochford	58.8%	41.2%	3,369
Southend-on-Sea	41.8%	58.2%	16,763
Thurrock	64.1%	35.9%	12,114
TGSE	57.3%	42.7%	50,573
England	66.3%	33.7%	4,168,982

Overall, a higher proportion of LHA claimants in South Essex live in the private rented sector compared to the national profile, with **this tenure accounting for around 43% of all claimants**. However, there is significant variation within this geography, with a greater role for social rent in Basildon and a notably high reliance on the private rented sector to meet the needs of claimants in Castle Point and Southend-on-Sea.

It is also useful to estimate the proportion of private renters who are claiming local housing allowance. This relates the total number of residents privately renting from the 2011 Census with the total number of LHA claimants in the private rented sector, from the DWP data presented above.

Table 4: Proportion of Private Renting Residents Claiming LHA

	Basildon	Castle Point	Rochford	Southend-on-Sea	Thurrock	TGSE
Total number of residents privately renting	17,221	9,595	6,982	37,217	22,175	93,190
Total LHA claimants in private rented sector	3,271	2,850	1,388	9,750	4,350	21,609
Proportion of private rented residents claiming LHA	19.0%	29.7%	19.9%	26.2%	19.6%	23.2%

LHA claimants form a significant proportion of people privately renting in South Essex, with just under a quarter of all privately renting residents claiming LHA. Again, this is notably higher for Castle Point and Southend-on-Sea, continuing to highlight the role of this tenure in meeting needs. All authorities surpass the England rate of 15.9%.

The SHMA finally also estimates the number of lettings made each year to tenants claiming LHA (based on English Housing Survey returns – for 2012/13 – suggests that approximately

11% of private rented households are new lettings which either originate from other tenures or are newly formed, not including transfers). This can be compared against the number of households privately renting in South Essex from the 2011 Census – notably differing from that presented above, which was resident based – to determine the estimated number of new lettings arising from LHA claimants.

Table 5: Annual Private Lettings to Tenants Claiming LHA

	Basildon	Castle Point	Rochford	Southend-on-Sea	Thurrock	South Essex
Total private rented households	7,448	3,968	2,844	16,439	8,772	39,471
New lettings per annum (11%)	819	436	313	1,808	965	4,342
Proportion of LHA claimants in PRS	19.0%	29.7%	19.9%	26.2%	19.6%	–
Number of private rented households claiming LHA	156	130	62	474	189	1,010

Source: Census 2011; English Housing Survey, 2013; Turley, 2015

This assessment estimates that the private rented sector meets the affordable needs of around 1,000 households per year across South Essex, with the tenure playing a significant role in Southend-on-Sea in particular. This suggests that the **private rented sector has and is likely to continue to play a substantial role in meeting the affordable housing needs of households in South Essex**. Given the increasing size of this tenure, it is likely that this role has grown over recent years. Importantly, however, this tenure falls outside of the NPPF definition of affordable housing, and future policy factors – such as the Government’s benefit caps – may impact on the contribution of the sector to meeting needs.

Headline results for South Essex from our Stock Modelling Report

A number of local authorities within the South Essex (SE) area commissioned BRE to undertake a series of modelling exercises on their housing stock – Basildon, Castle Point, Rochford and Southend-on-Sea. Separate reports were produced for each authority describing the modelling work and providing more granular details of the results obtained from the dwelling level models and database. The report provides a high level summary for South Essex broken down by local authority and, for completion, including figures for Thurrock (from a previous study).

This project also took advantage of the huge amount of locally held data, integrating thousands of records into the BRE Housing Stock Models. For example, 3 of the SE local authorities supplied data from over 95,000 Energy Performance Certificates (EPCs). This way, information on the thermal characteristics from ‘actual’ observed inputs of 49% of the stock in these authorities, or 32% across the whole region, were used in preference to modelled or imputed inputs. Not only does it therefore improve the quality of data used in the stock models for those properties covered by an EPC, but it also helps improve or confirm the data used; for example, on the property age or wall type of a significant number of adjoining properties.

The main aims of this work were to provide estimates of:

- The percentage of dwellings meeting each of the key indicators for SE overall and broken down by tenure and then mapped by ward (private sector stock only)
- Information relating to Local Authority Housing Statistics (LAHS) reporting for the private sector stock – Energy Performance Certificate (EPC) ratings and category 1 hazards.

BRE Housing Stock Models were used to provide such estimates at dwelling level with a focus on private sector housing. The key indicators provide the local authorities within the SE area with detailed information on the likely condition of the stock and the geographical distribution of properties of interest.

In addition to the stock models, the 4 local authorities commissioned BRE to produce a Health Impact Assessment (HIA) to better understand the effect of private sector housing hazards and intervention strategies on the health of residents in their area. The BRE report summarises the findings of the HIAs carried out for the 4 commissioning local authorities, and combines this with HIA estimates for Thurrock to provide a complete assessment for the region.

The headline results for the stock modelling focusing on the private rented stock and the HIA analysis are set out below:

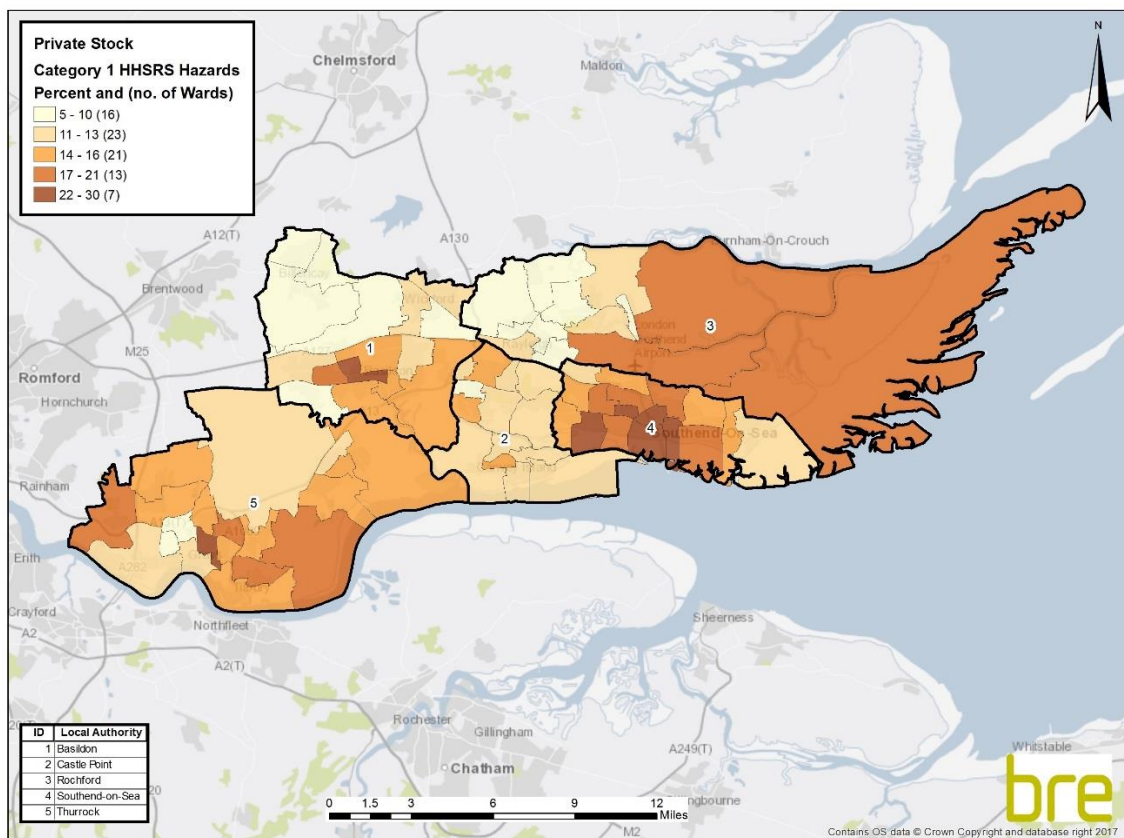
- Private rented stock is often estimated to be in a much poorer condition when compared with the figure for all stock. For example for “excess cold hazards” and “disrepair” the percentage is at least twice as high.
- There are marked local geographic variations when the data is mapped at local authority and ward level. (See sample map over-page).
- 19% of private rented sector stock in the region is estimated to have a category 1 hazard. The greatest proportion is in Southend-on-Sea (26%) and the lowest are in Basildon and Castle Point (14%), compared to owner-occupied stock (13%) and social stock (8%).
- 4% of private rented stock is estimated to have an excess cold hazard compared to only 2% for all stock. Rochford (6%) has the highest proportion of PRS stock estimated to have excess cold hazard.
- 13% of private rented stock is estimated to have category 1 falls; highest in Southend (16%) and lowest in Rochford (8%). The overall figure for all private stock (11%) in South Essex exceeds the percentage for England as a whole (8%).
- 5% of private rented sector stock is estimated to be in disrepair compared to 2% of all stock. The highest proportions are in Southend-on-Sea (8%) and the lowest are in Basildon at 3%.
- For the private rented stock, Southend-on-Sea has the highest proportions of fuel poverty under both the 10% and Low Income High Costs definitions – 20% and 22%, respectively. This is more than twice as high as the figures for all stock – 9% and 10% respectively.
- 25% of the private rented stock in the region is estimated to be occupied by low income households. The highest proportions are in Thurrock (30%), Southend-on-Sea (29%) and the lowest are in Basildon (13%).

- For the private rented stock, Basildon & Thurrock have the highest average SimpleSAP rating (63) and Southend-on-Sea has the lowest (56). The average SimpleSAP rating for all stock in South Essex is 59, exceeding the average for England at 55.

The percentage of private rented stock with an EPC rating below band E for South Essex is 6.6%. Southend-on-Sea has the highest percentage falling below band E (9.4%) and Basildon has the lowest (3.8%). According to new rules, from 1 April 2018 landlords of properties with ratings below band E will not be able to renew or sign a new contract.

- There are an estimated 48,598 category 1 hazards in the private stock across South Essex with an estimated 2,275 harmful events requiring medical treatment annually. The estimated cost of mitigating all these hazards is £87.6m and the total savings to society are estimated to be nearly £74m annually.

Fig 5: Percentage and distribution of Category 1 hazards



Source: South Essex Stock Modelling Summary Report, BRE, September 2017

The map shows that the greatest numbers of hazards are concentrated in Southend-on-Sea, to the east of Rochford and southern wards of Thurrock. Wards to the north of Basildon and the east of Rochford have the lowest levels of hazards.

Insight: Basildon BC, issues arising in Basildon's Private Rented Sector

Source Stock Condition Modelling and Health Impact Assessment 2017 completed by BRE.

6,823 dwellings in the private sector have category 1 Housing Health and Safety Rating System (HHSRS) hazards, this equates to 11% of properties. 1,402 dwellings in the private rented sector have category 1 HHSRS hazards, this equates to 14% of properties in the private rented sector.

The total cost of mitigating category 1 hazards in Basildon's private rented sector stock is estimated to be £3.8 million.

Estimated cost to society of not mitigating these hazards is £3,083,492 of which £344,870 is cost to the NHS.

The number of private rented dwellings in Basildon with a rating below band E (i.e. bands F and G), is estimated to be 386 (3.8%).

Insight: Rochford DC, from BRE Stock Condition Modelling Report

95% of our District is private sector (this excludes social housing - Registered Providers) - 29,886 Owner-occupied / 3,217 Private rented.

3,834 private sector dwellings are estimated to have category 1 Housing Health and Safety Rating System (HHSRS) hazards.

3,348 are in the owner occupied sector, 486 are in the private rented sector.

Falls and Excess cold are the top 2 housing hazards for both sectors.

The highest concentrations of all HHSRS hazards in the private sector are found in the wards of Roche North & Rural, Foulness & The Wakerings and Roche South.

The highest concentrations of fuel poverty in the private sector are found in the wards of Roche South, Roche North & Rural and Wheatley.

The highest concentration for excess cold are in the Roche North & Rural, Foulness & The Wakerings and Roche South wards.

£21.6 million is the total estimated cost of mitigating all the category 1 hazards in Rochford's private sector stock. 214 harmful events are estimated as requiring medical treatment every year, as a result of our poor housing conditions (falls/excess cold).

£941,290 each year. The estimated cost to the NHS of treating these accidents and ill-health, caused by all the category 1 hazards in our private sector stock.

£8.41 million each year. If the wider costs to society are also considered for all category 1 hazards, the total combined NHS + Wider Society costs increase significantly to over 8million each year.

4. Key obstacles that impact on the PRS

There are a number of obstacles for the PRS going forward in South Essex arising from adverse market forces and Benefit Reform that need to be considered:

- Frozen LHA rates are a major barrier to local income households accessing the private rented sector.
- Possible reduction in PRS supply: Landlords may remove properties from the Housing Benefit supported 'pool'.
- If the future supply of PRS housing is reduced: this may force up rents in some areas. In areas of high social housing the introduction of affordable rents at submarket levels may cause landlords financial difficulties leading to a geographical polarisation of rent.
- Increase in distressed stock: should landlords experience financial difficulties their ability to undertake improvements and maintenance work might lead to deterioration in the quality of stock.
- Increase in poor quality HMOs: A significantly reduced choice of property for single households between 25 and 35 may lead to potentially an increase in the provision of poor quality, poorly managed Houses in Multiple Occupation (HMOs) with associated social and management issues.
- Redistribution of PRS tenants from other areas: there may be a move by HB households out of London and into properties in South Essex.
- Increased demand on Local Authority housing advice: pressure on Local Authorities from overcrowding, increases in homeless presentations and from 'households in the middle'.
- Impact on Health and well being: in addition to the well documented adverse effects of poor conditions and overcrowding on health and well being will be the impact on private renters of the fear of eviction or higher rents. Feelings of insecurity heightened, combined with trying to live on a small budget, contribute to increased levels of stress and anxiety and social isolation.
- Impact on young people: significant complexities arise around young people, who cannot live at home with their parents for a whole range of reasons such as lack of space, domestic violence, having children of their own and the impact on non-dependent deductions.

Insight: Rochford DC, comments from a local housing officer:

"The local private rented market is quite small compared to other areas in South Essex based on the Hometrack numbers.

The substantial rent increases over the last 2 years has seen us as an Authority struggle to access the private Sector market and also a lot of our L/L refuse to take on clients who are in receipt of LHA.

The freezing of LHA and benefit rates has made most of the local private sector properties unaffordable for benefits claimants and low income applicants who rely upon benefits to assist with housing costs

We have tried various scheme such as rent and deposit, paying 6 month's rent up front, offering financial incentives unfortunately these have had little impact in allowing access to the private sector."

Andrew Badger - Housing Options Allocations and Enabling Officer

Insight: Basildon BC, affordability issues

An Affordable Rent study completed in 2015 indicated that lower quartile rents significantly exceed Local Housing Allowance in the Borough. Local letting agents indicated that there was significant demand for private rented housing and little scope to resolve it.

Basildon Borough Council	<i>Lower quartile Open Market Rent</i>	Local Housing Allowance	Weekly shortfall
Shared	102	63.50	38.50
1 bed	150	128.19	21.81
2 bed flat	181	161.26	19.74
2 bed house	207		45.74
3 bed house	225	188.33	36.67
4 bed house	306	266.65	39.35

5. Solutions with demonstrable impact in South Essex

Increasing supply of new private rented units

The Government has introduced a package of support to encourage a wider range of investors to build houses for private rent including: Stamp Duty Land Tax reduced levy on bulk purchases, promotion of UK real estate investment trusts, Build to Rent Fund - To boost supply in response to the Montague Review.

For local authorities in South Essex further growth in the PRS remains an opportunity, possible options include:

Guarantees that new build PRS will remain in the sector – Flexibility in the planning system could be used to encourage more build to rent housing.

Use of pension funds – Opportunities exist for local authorities to support new PRS supply by using their pension funds as a source of investment.

Land investment – Government and authorities are also investing public sector land with private developers or RPs to improve viability.

In response; local authorities in Basildon, Southend and Thurrock have set up local housing companies and a number of Registered Providers active in South Essex building mixed tenure housing. Some Registered providers are seeking to acquire PRS portfolios from the existing stock for affordable rent. An alliance of developers, contractors and local authorities with support from Homes and Communities Agency, the South East Local Enterprise Partnership and Essex County Council recently formed a partners known as the Essex Developers Group to champion housing building across Essex / South Essex. New supply of housing to date has predominantly been market housing mixed with shared ownership and affordable rent; there has been no significant new direct supply of Private Rented Sector, other than those properties that are acquired for “Buy to Let” from the sale of market housing.

The important role of affordable rent

The SHMA also looks at the affordability of market rent compared to affordable rent at varying levels (60%, 70% and 80% of market rent). Expectedly, increasingly reducing market rent lowers the income required across all authorities.

Table 6: Affordable Rent – Income Required

	Open market rent	80% market rent	70% market rent	60% market rent
Basildon	£23,400	£18,720	£16,380	£14,040
Castle Point	£23,400	£18,720	£16,380	£14,040
Rochford	£24,300	£19,440	£17,010	£14,580
Southend-on-Sea	£19,800	£15,840	£13,860	£11,880
Thurrock	£23,400	£18,720	£16,380	£14,040

Source: Turley, 2015

Comparing the above thresholds with the income profiles for each authority, the following table shows the proportion of households who are unable to access affordable rent at different levels. Again, the residual can be calculated to show the proportion of all

households who are unable to afford private rent but can afford the most accessible affordable rent (60%).

Table 7: Proportion of Households Unable to Access Affordable Rent

	Open market rent	80% market rent	70% market rent	60% market rent	market rent (residual)
Basildon	39%	31%	21%	21%	18%
Castle Point	40%	31%	20%	20%	20%
Rochford	36%	28%	18%	18%	18%
Southend-on-Sea	34%	23%	23%	11%	22%
Thurrock	40%	31%	21%	21%	19%

Source: Turley, 2015

This suggests that a subset of those households who are **unable to afford private rent have an income which could afford to access affordable rent products in SE**. Applying these proportions to the gross number of newly forming households – as in the table below – shows that **29% of newly arising need for affordable housing in SE could be met through by affordable rent at 60%, with implied smaller levels of need met through higher levels of market rent.**

Table 8: Newly Arising Need Met by Affordable Rent

	Households unable to afford private rent	Households able to access affordable rent (60%)	% of newly arising need met
Basildon	571	233	29%
Castle Point	233	114	34%
Rochford	217	107	31%
Southend-on-Sea	511	340	34%
Thurrock	618	295	24%
TGSE	2,151	1,125	29%

Affordable rent can therefore play a particularly significant role in Castle Point and Southend-on-Sea, although it is evidently reliant upon the supply of affordable rent properties becoming available to meet this need.

Landlord Forums and Accreditation

Landlord Forums are successfully operated across South Essex either by individual local authorities in the case of Thurrock and Basildon or jointly between Rochford, Castle Point and Southend. They are open to all private landlords and agents in the boroughs and their surrounding areas. They represent an ideal opportunity for landlords and anyone interested in letting a property in South Essex to share experiences, meet with council officers from Housing Services, Environmental Health Services and the Housing Benefits Team, learn about the role local authorities can play in support of the private rented sector.

Forums include talks and guest speakers on a variety of relevant subjects with opportunities to ask questions and discuss issues affecting landlords.

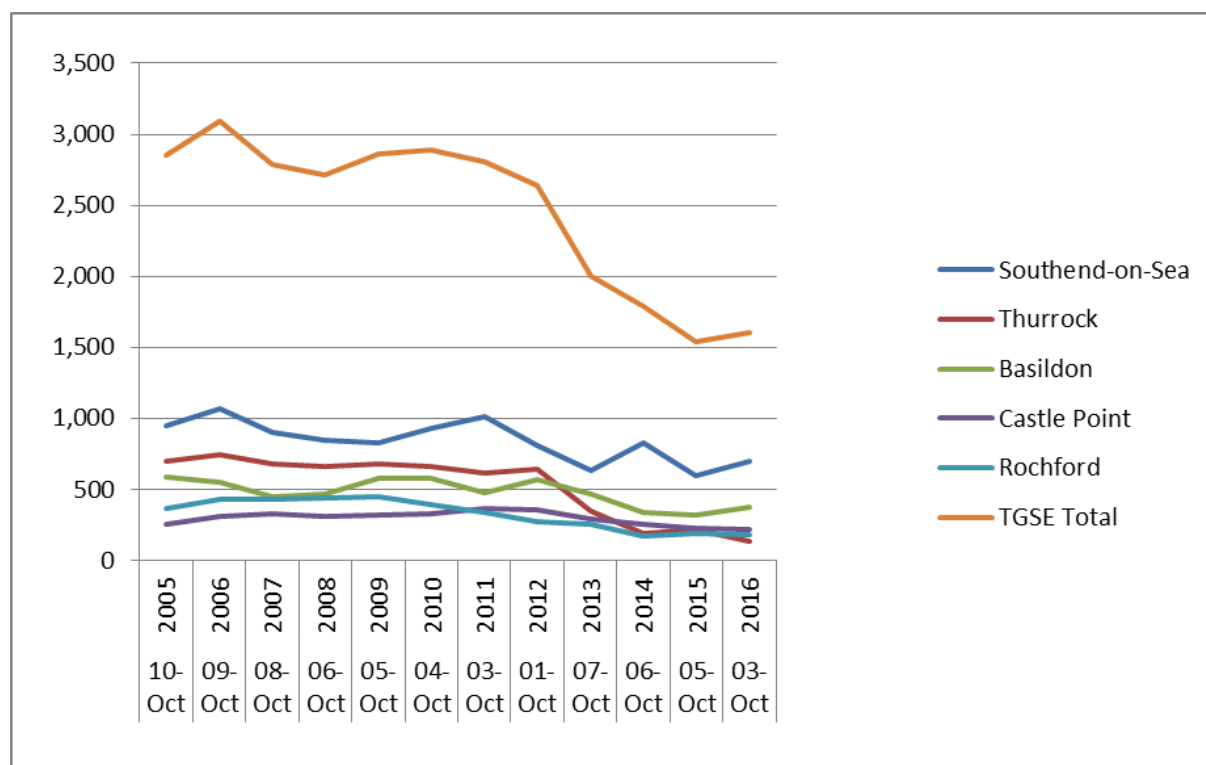
Some authorities also operate landlord accreditation schemes, for example in Thurrock where they take part in the UK Landlord Accreditation Partnership (UKLAP), which recognises good practice and works to improve conditions in the private rented sector.

Southend run their own scheme through the South East Alliance of Landlords (SEAL), which aims to improve the private rental sector by offering support and guidance to educate both Landlords and Tenants. The aim of SEAL is to reduce anti-social behaviour by mediation. SEAL was initially formed to coordinate a response to Southend-on-Sea Borough Council's (the Council's) plans to introduce Selective Licensing. But it has now entered into a new and formal partnership with the Council to improve the standard of accommodation within privately rented properties, and reduce anti-social behavior (ASB) throughout SEAL managed properties. SEAL will be responsible for reporting its progress to the Council's Community Services and Culture Scrutiny Committee. As a result of this partnership, Selective Licensing has been indefinitely postponed – pending the success of SEAL. See- <http://www.southeastalliance.org/>)

Empty Homes

The South Essex Private Sector Housing Group has worked with private owners to renovate empty properties in the sub region and make them available to people in housing need. Some 75 bed units were brought back into use, contributing to the overall reduction in empty homes across the sub region as evidenced below.

Fig 6: All long-term vacant dwellings by South Essex local authorities from 2005



Source: Government Statistical data live tables (Table 615) on long term vacant dwelling stock

Insight: Basildon BC, schemes that have been successfully tackling problems in the PRS

Private landlord incentive scheme has been successful in placing 112 homeless/at risk of homelessness households in the private rented sector.

Housing Advice Service prevented 77 households from being evicted from private rented tenancy in 2016/17.

Insight: Rochford DC, The Private Housing Service - What are we doing?

2016-17

64 Private dwellings improved (occupied by vulnerable residents), as a result of direct intervention by the Private Housing Service

85 Housing hazards removed

£180,000 estimated savings to NHS & Wider Society

110 visits/inspections

53 Disabled Facilities Grant Completed (Direct impact on reducing Falls)

2017- 18 (April- June)

21 Dwellings improved

39 Housing hazard removed

£34,000 estimated savings to NHS & Wider Society

65 visits/inspections

57 informal actions(letters/revisits/mediation)+ 1 formal statutory notice served

58 Disabled Facilities Grant in progress

NEW Well Homes project plan in place + RRAVS

Insight: Rochford DC, Private Housing Service update

Resources

- The Private Housing service sits in the wider Environmental Health Team
- There is 1 dedicated Private Housing Officer
- Over the last 6 months other members of the Environmental Health staff have trained to be 'competent ' in assessing for housing hazards, so they can support in times were service demand is high.
- As from April 2017 a new in-house Disabled Facilities Grant service now works alongside the Private Housing Officer and is also part of the wider Environmental Health Team and supports in the work of reducing Fall hazards.
- Core landlord-tenant work; Houses in multiple occupation; Energy efficiency work; Landlord forums; Housing renewal assistance; Essex/sub regional partnership working

For further information, please contact:

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- Martin Howlett, Environmental Health Team Leader martin.howlett@rochford.gov.uk

Conclusion

We trust the above evidence provides a useful analysis of the current “state of play” in South Essex of the private rented sector. Shortage of supply, rising rents, worsening affordability and poor condition of the stock relative to other tenures have all been evidenced in our response. Given the importance of the private rented sector in South Essex, the Sub Group look forward to the publication of the New Rugg Review in order that we can continue to improve the sector in our sub region.

Should you wish to discuss further the contents of this response with the South Essex Housing Group / Private Sector Sub Group, we would be pleased to take part in any discussion. Contact should be made via myself, the Strategy Coordinator, using the contact details below.

Yours sincerely

Alastair Pollock
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South Essex Housing Group is an unincorporated informal public / private partnership governed by Terms of References (available on request).

References:

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http://www.tgessex.co.uk/downloads/South_Essex_Strategic_Housing_Market_Assessment_No_Appendices.pdf

SHMA 2013 Report, Opinion Research Services:

<http://www.tgessex.co.uk/downloads/TGSESHMARReviewDec2013Final.pdf>

South Essex Quarterly Housing Market Trends Report – See April 2017:

http://www.tgessex.co.uk/downloads/TGSE_Housing_Market_Trends_Quarterly_Report_Apr_17.pdf

South Essex Housing Stock Condition Modelling Summary Report, BRE, September 2017 (available on request)

Basildon Housing Needs Review 2015 - See:

<http://www.basildon.gov.uk/CHttpHandler.ashx?id=323&p=0>