



Leicester
City Council

**ALL WARDS AFFECTED – BELGRAVE, CROWN HILLS,
COLEMAN, CHARNWOOD, WEST HUMBERSTONE**

CABINET

15 JANUARY 2001

**FUTURE PROGRAMME OF AREA RENEWAL
DECLARATION OF (NON STATUTORY) RENEWAL AREAS**

REPORT OF THE DIRECTOR OF HOUSING.

1. SUMMARY

This report identifies disrepair in private sector housing and seeks guidance for the level and location of investment to improve living conditions for those people.

Based upon the Renewal Strategy the priority areas for investment, of £5m each, are New Humberstone and St Saviours with the bulk of the investment being over a 5 year period.

There is currently £3.8m included in the Housing Capital Programme for Renewal, and assuming this level is maintained there would be £850K uncommitted funding available for new Renewal areas in 2001/02. The current Renewal areas of Belgrave and Evington valley phase one and two will complete during this period and the available funding for new Renewal areas will increase.

The area with the most need for Renewal is New Humberstone, yet St Saviours has more people on low incomes, who would be less likely to undertake home improvements themselves. New Humberstone investment would be co-ordinated with the Single Regeneration Budget programme.

A prudent way forward would be to declare one area with a commitment to declaring a further area along with the smaller areas of Abbey Lane, Swainson Road and Windsor Avenue from 2002 onwards if the financial position at that stage is favourable.

2. RECOMMENDATIONS

It is recommended that

1. The unsatisfactory living conditions identified in the report be addressed by declaring a non statutory renewal areas for New Humberstone or St Saviours.
2. Further areas, identified in the report, be declared from 2002 if the financial position at that stage is favourable.

3. FINANCIAL IMPLICATIONS

These are included in the summary above and background papers.



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SUPPORTING INFORMATION & APPENDICES

1. BACKGROUND

Leicester's Renewal Strategy was adopted in 1976 and has followed a mainly area based approach. This approach was endorsed most recently in March 2000 in the latest of a series of regular reports. Future areas were to be selected following a stock survey

1.1 City Wide House Condition

By applying the findings of the Governments 1996 English House Condition Survey to known data from Leicester, it is estimated that the backlog of repairs in the private sector in the **City** is **£419.8m**. This is made up of £362.3m in the owner-occupied sector and £57.5m in the privately rented sector. Not all households will be eligible for, or will take up, renovation grants. In addition, grants are means tested. Those on income support receive 100% grants, with a fairly sharply decreasing percentage for those on low income. By applying past experience of take-up and information on income levels in the City it is calculated that the demand for grant aid to owner-occupiers across the City could be **£205m** to deal with conditions over a ten-year period. It is not current policy to pay grants to landlords.

1.2 Survey of Five Zones

The **private sector stock** survey was commissioned earlier this year to establish the incidence of unfit housing and disrepair, estimate repair costs, assess

renovation grant eligibility and determine an energy efficiency rating of the private sector stock in **five improvement zones of the city**. The five areas were chosen

from a shortlist of 15no improvement zones of known poor housing because of their high deprivation scores. The deprivation index used is the Breadline Britain Score. The Breadline Britain Score was constructed as an attempt to define normative poverty (people's perceptions of poverty) in terms of a poverty threshold. Six variables included: unemployment, a lack of owner occupied accommodation and car ownership, as well as three "at risk" variables: limiting long term illness, lone parent households and low social class. The Breadline score is obtained by summing the individually weighted variables. The higher the score, the higher the level of deprivation. The score across the County of Leicestershire is 17, although the county "private sector" score is approximately 9. The zones surveyed had deprivation scores between 25.5 and 38.6.

The provisional results of the survey form a central element in assessing housing conditions in the zones which has enabled us to prioritise them according to house condition and poverty deprivation.

The survey was implemented according to Department of Environment Transport and Regions (DETR) guidelines and was based on a stratified random sample of 1783 addresses intended to achieve a total of 1160 surveys at an access rate of 65%. The survey included owner occupied, privately rented and housing association dwellings. To date a full physical inspection and survey has been carried out on just short of 570 dwellings. The physical inspection included an assessment of the dwelling encompassing the Housing Fitness Standard and the collection of data for the calculation of an energy efficiency rating for each dwelling. The survey also included an assessment in each dwelling under the Housing Hazard Rating System. This is a new approach to assessing housing conditions using risk assessment methodology. Leicester is in the fortunate position of being one of the first local authorities to have information based on this new approach.

The response rate to the survey has been disappointing and unexpected. The consultants have introduced a number of measures to resolve this problem and work continues to try and gain access to many more properties. However the feedback from the consultants is that the underlying picture is unlikely to change significantly. The consultants state that three zones are emerging as having a higher incidence of poor housing conditions. These are St Saviours, New Humberstone and Swainson Road.

2. THE PROPOSAL FOR THE DECLARATION OF NON STATUTORY RENEWAL AREAS.

All of the improvement zones surveyed meet some of the requirements for the declaration of a statutory renewal area. Leicester has always followed an area approach to private sector renewal and the Housing Committee again endorsed this in March 2000. Since 1990 this area action has lead to the declaration of 9no. Renewal Areas following their introduction under the Local Government and Housing Act 1989. The provisions for the declaration of Renewal Area remained largely unchanged by the succeeding Housing Grants, Construction and Regeneration Act 1996. The intention was to create a true partnership between local authorities,

residents, and private sector interests, thereby improving the social, environmental, economic and housing conditions in the area.

Renewal Areas normally last ten years, thereby giving the local authority time to put in place a long term, sustainable programme. This approach should secure maximum impact by increasing community and market confidence in the area's future, and help reverse the process of decline.

Coupled with the Renewal Area concept is the Neighbourhood Renewal Assessment (NRA). The NRA is an aid to decision-making comprising a series of logical steps. When taken together these steps provide a thorough and systematic appraisal method of considering alternative courses of action for the area. The NRA considers a range of issues including boundary definition, economic assessment, technical feasibility and a socio-economic assessment.

The development and justification of a preferred strategy forms the crux of the NRA methodology, as it is essential that a local authority should know exactly what they want to achieve in an area. The survey work and the process of consultation should result in a mass of information from which different options can be generated. The option packages should be costed demonstrating the comparative net present values.

Six major research surveys need to be undertaken during the NRA in order to develop the option generation. These are:

- External House Condition Survey
- Internal House Condition Survey
- Home Energy Ratings
- Residents' survey (Social Survey)
- Commercial Survey
- Environmental Survey

Since the publication of NRA guidance in 1992, the issue of environmental sustainability and sustainable development has become more prominent. Within the NRA process, an assessment of environmental sustainability and sustainable development should be part of the socio-economic appraisal in the Option Appraisal Process.

The NRA process is extremely time consuming and costly and to date although many aspects of the survey work required have been carried out not all the information is available to fulfil the process requirements. This would be a legal requirement if the proposed new areas were to be declared as statutory renewal areas. In the case of New Humberstone this would also duplicate the work of the SRB bid.

In reality the same can be achieved without the declaration of the statutory area and the need to apply to the Secretary of State for approval. There are no legal benefits to be gained by not adopting a statutory area. The local authority would still have the power to undertake all the mainstream activities such as the improvement of the housing and environmental works associated with a renewal area. There are no

financial penalties that would be imposed if the area did not receive statutory status. This approach would also be in line with many other local authorities that in the past have not declared any statutory renewal areas or have moved away from such declarations whilst still actively following an area approach to their strategies.

The proposed approach to dealing with these areas would also be in line with the governments current thinking. The Housing Green Paper entitled "Quality and Choice: A Decent Home For All", proposes giving more freedom to local authorities over where they can declare renewal areas and over how they carry out group repair. For renewal powers there is a proposal to remove the conditions that relate to size of the area, the proportion of properties in private ownership, and the proportion of unfit properties within the area. For group repair there is a proposal to remove the condition relating to the proportion of unfit properties and the exclusion of flats from the scheme. These proposals would be brought into effect through secondary legislation.

The (Non Statutory) Renewal Areas will still benefit from:

- Being part of the council's regeneration strategy
- Public consultation on the approach to be adopted
- Being part of the community plan
- A structural survey of area
- A programme of environmental works
- The Most Satisfactory Course of Action (MSCA) approach to decision making for pockets of unfit housing.
- House conditions being tackled in a systematic way.
- Grant aid to qualifying applicants.

In order to make the most effective use of resources, implementation in both areas will be phased with full renewal services being held back in part of the areas. This will make waiting lists more manageable and will enable both capital and revenue resources to be deployed in a more satisfactory manner.

3. HOUSE CONDITIONS IN THE IMPROVEMENT ZONES SURVEYED

The levels of unfitness / defective properties are likely to be an under estimate of the total demand. All of the improvement zones have concentrations of poor housing conditions. The consultants advise that New Humberstone emerges as the zone with the greatest potential demand for assistance from both owner-occupiers and private tenants. However whilst New Humberstone has the largest number of owner occupiers living in unfit or defective dwellings it is the St Saviours zone which has the largest number in these dwellings who are in receipt of a means tested benefit.

The relevant figures are set out in the table below:

	Unfit or defective			
	On a means tested benefit		Not on benefit	
	Dwellings	% of all unfit and defective	Dwellings	% of all unfit and defective
Abbey Lane North	7	34	14	68
St Saviours	48	31	109	69
New Humberstone	21	12	153	88
Swainson Road	14	36	25	64
Windsor Avenue	27	66	14	33
Total	117	27	314	73

The level of Means Tested Benefit being received would not be the only indicator of deprivation to be taken into account. The three remaining zones namely Swainson Road, Windsor Avenue and Abbey Lane North are smaller areas and have lower levels of properties classed as unfit / defective. Percentage rates of benefits in unfit / defective areas are highest in Windsor Avenue but this is associated with a very small sample and may be misleading.

It is proposed that work should start first in New Humberstone and St Saviours. Proposals for the remaining areas would be to declare non-statutory renewal areas in the following order: Swainson Road, Windsor Avenue and Abbey Lane North subject to resources being available.

A summary produced by the consultants detailing the overall repair costs by area is shown in appendix 1.

4. NEW HUMBERSTONE IMPROVEMENT ZONE

STREET	NUMBERS	
	Odds	Evens
Abbotsford Road	1 – 7	2 – 16
Brianway, The	1 – 23	2 – 24
Coleman Close	1 – 37	2 – 38
Coleman Road	-	2 – 118
Exton Road	7 – 17	2 – 22
Freeman Road North	3 – 133	2 – 102
Green Lane Road	-	328 – 364
Greenwood Road	1 – 43	2 – 44
Haynes Road	1 – 69	2 – 46
Humberstone Drive	-	2 – 52
King Edward Road	5 – 67	8 – 78
Saltersford Road	1 – 71	2 – 26
Trafford Road	1 – 61	2 – 58
Turner Road	1 – 73	2 – 82
Uppingham Road	149 – 297	180 – 222

The New Humberstone Improvement Zone is located within the 'Greater Humberstone - Joining It up Locally' SRB bid area. The need for regeneration of the area has been highlighted in the city's corporate Regeneration Strategy as endorsed by the Leicester regeneration Agency. The area is also prioritised within the Leicester Health Action Zone plan and the Leicester Crime and Disorder Strategy. A range of statistical data supporting the SRB bid illustrate hot spots of deprivation and social need.

Prioritising the zone to tackle the poor housing conditions in the private sector will compliment this activity and will help meet key strategic objectives outlined in the

SRB bid:

1. Improving the local environment.
2. Reducing the crime and fear of crime and enhancing community safety.

5. ST SAVIOURS IMPROVEMENT ZONE

STREET	NUMBERS	
	Odds	Evens
Blanklyn Avenue	1 – 29	2 -30
Constance Road	1 – 93	2 – 98
Dorothy Road	3 – 111	2 – 104
East Park Road	–	18 – 292
Gedding Road	1 – 75	–
Green Lane Road	181 - 189	190 - 241
Gwendolen Road	9 – 83	2 - 146
Lancaster Street	7 – 187	2 - 178
Leicester Street	–	70 - 80
Linden Street	1 – 41	30 -42
Margaret Road	1 – 13	2 – 16
	115 – 119	
Moat Road	1 – 89	2 – 70
Nottingham Road	45 - 65	52 - 70
Osborne Road	1 – 71	2 – 100
Orson Street	1 – 69	2 - 104
Roseberry Street	1 – 143	2 - 90
Spalding Street	23 - 35	2 - 70
St Saviours Road	261 - 417	252 - 268
Stanhope Street	1 – 55	2 - 38
Ventnor Street	1 – 25	2 - 76

The St Saviours Improvement Zone is characterised by mixed residential and commercial development. The oldest houses were built in 1886. The majority of the housing is in traditional terraces but the area was partly developed piecemeal and so there are some inter-war town houses and semi-detached properties.

There are several large factories that have mainly been converted to smaller business units as well as much smaller industrial and commercial properties. In

Margaret Road stands the very large and imposing headquarters of the Royal Leicestershire, Rutland and Wycliffe Society for the Blind.

The Spinney Hill Primary School and Community Centre is in Ventnor Street.

6. SERVICES TO BE OFFERED IN THE RENEWAL AREAS

The Renewal Area will benefit from the following services:

6.1 Home Energy Strategy

The proposed Home Energy Strategy for the areas will include the full range of services developed under the Energy Sense campaign. These will be promoted to residents, retailers and businesses and include energy audits, advice and information and discounts on energy efficient goods and services through

Leicester's Smart Home energy card. Local partners will be identified to join the scheme.

The following services will be offered to residents of the areas:

- Full National Home Energy ratings.
- Assessment of the most cost effective and energy efficient solution for the individual household
- advice on DIY solutions where appropriate
- identification of grant aid from external sources e.g. HEES
- Discretionary renovation Grants will include heat recovery fans, loft insulation, cylinder jackets, and draughtproofing to approved standards. Two heat recovery fans will be provided to the kitchen and bathroom, which reduce condensation and improve internal air quality. The fans will assist in bringing the houses up to a reasonable standard as well as increasing energy efficiency.
- Discretionary Renovation Grants will be made available to a maximum of £3500 with the homeowner contributing 20% towards the cost of works.

The following works will be offered in priority order:

1. Improved heating controls, to include TRV's thermostats and energy management systems.
2. High efficiency central Heating System
3. The additional cost of double-glazing with E glass where windows are to be replaced.

6.2 Energy Efficiency Grants

An amount of money from the capital programme has funded Energy Efficiency Renovation Grants in recent years. These grants have normally been offered in active renewal areas alongside ordinary renovation grants. An applicant is guided as to the most effective items to be installed and grant aided. A 20% contribution is expected from each applicant over and above any assessed contribution that they may have made towards renovation work. The increase in eligible expense from £2,500 to £3,500 agreed in March 2000 has generally encouraged homeowners to invest in energy efficiency measures in their homes. No alteration to the current policy is proposed. Therefore it is proposed to allow all

owner-occupiers living in the declared areas to be considered for an energy efficiency grant. Owners will not therefore need to live in an unfit house to qualify.

6.3 Discretionary Renovation grants

Discretionary Renovation grants are the main tool for assisting homeowners to bring their homes up to a reasonable standard.

Renovation grant will be made available to qualifying owner-occupier applicants where the house is unfit in accordance with general current policy. Grant aided works will be designed to make houses fit, provide basic security measures and provide some help with energy efficiency measures outlined in 9.1. All grant applicants will be provided with assistance through the Home Improvement Agency Service. This means they will be given help to:

- Obtain tenders for the work from suitable builders
- To get plans drawn if necessary
- To complete the required application form
- To enter into a formal contract with the builder
- Have the work supervised
- Have the benefit of a retention period after practical completion of the work

6.4 Home Repair Assistance

Home Repair Assistance will be offered to qualifying owner-occupiers as an extension of the current city-wide scheme. These will be where owners either do not otherwise qualify for a discretionary renovation grant or do not wish to undertake major work at this time. In contrast to the city-wide home maintenance scheme these grants will be funded directly out of money directed at renewal area work but the same basic qualifications apply.

The home maintenance service offered will include:

- advice on home maintenance, energy efficiency and home security
- a home maintenance inspection outlining the works required with a builder's list
- the area maintenance officer service to qualifying residents where appropriate
- a comprehensive advice service too many householders who have never had any help with their housing.

6.5 Disabled facilities Grants

There are two forms of disabled facilities grant; mandatory and discretionary. The current general policy restricts availability to the mandatory version of this grant. No change in this policy is proposed, particularly given the continuing backlog of cases qualifying for mandatory grants.

Cases recommended for grant aid are placed on a priority points based waiting list. Cases are taken off the waiting list as resources permit, according to their priority points score. However, any disabled facilities grant cases in the declared areas where properties have proposals for renovation and where the works are linked should be dealt with so as to make the most effective use of resources.

7. EQUAL OPPORTUNITY IMPLICATIONS

The Renewal Strategy seeks to direct resources to the most vulnerable households in the City by giving access to a range of services which seek to improve the living conditions, health and wellbeing of the participating households. Discretionary renovation grants are targeted where houses are unfit.

The area strategy that has been followed has meant that services have been directed to areas where residents are generally disadvantaged with above average populations of older people and people on low incomes. They often also have above average populations of people of ethnic minority origins.

Disabled facilities grants are only available to help disabled people.

8. LEGAL IMPLICATIONS

All grants are now discretionary, except mandatory disabled facilities grants. Whilst the policies adopted guide the use of these discretionary grants in general, all valid applications are considered on their individual circumstance and merit. In exceptional cases the Director of Housing has delegated authority to approve applications outside of the general policy.

The Council has the power to declare Renewal Areas and carry out certain works in them, and to provide the range of housing renewal grants by virtue of the Housing Grants, Construction and Regeneration Act 1996.

The Council also has certain duties, in dealing with unfit housing and an annual consideration of house conditions. Guidance is given in Circular 17/96 "Private Sector Renewal: a Strategic Approach".

Environmental Health Officers in Environment and Development take enforcement action when necessary.

9. SUSTAINABLE AND ENVIRONMENTAL IMPLICATIONS

The Renewal Strategy seeks to improve, protect and maintain the physical environment by enabling homeowners to improve the fabric of their homes. The specifications and scheduling used in house renovation grants and on advice schedules seek to use environmentally friendly materials and processes. Energy Efficiency is a key element in specifications. The proposals in this report will increase the number of disabled people who are able to remain in their own homes.

In broad terms the work of the Renewal Strategy offers many "quality of life" improvements and provides for wider participation by residents in decision making and action.

10. CRIME AND DISORDER IMPLICATIONS

In a renewal area it is possible for various schemes to be carried out that are intended to reduce crime and the fear of crime. In particular schemes have been carried to improve security through improvements to back alleyways.

Renovation grant aided home improvements generally include home security items such as door and window locks. Residents who do not qualify for such grants will still be able to arrange for security devices to be installed by making use of the city-wide 'handyperson' service. Users of this service are required to pay for materials and labour, albeit at advantageous rates.

Victims of crime and of domestic violence can also be assisted through specific SRB funded projects.

11. DETAILS OF CONSULTATIONS

Officers of Town Clerks have been consulted in the preparation of this report.
Environment and Development – Urban Regeneration Group
Chief Executives – Corporate Strategic Regeneration Unit

12. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

BACKGROUND PAPERS

- Local Government & Housing Act 1989
- Department of the Environment Circular 12/90
- Housing Grants, Construction and Regeneration Act 1996.
- Department of the Environment Circular 17/96
- Review of Renewal Strategy Policies - Report of the Director of Housing to Housing Committee, March 1997.
- 'Annual Review of Leicester's Renewal Strategy Policies'. Report Of the Director of Housing to Housing Committee, 6 January 1999.
- Annual Review of Leicester's Renewal Strategy Policies'. Report Of the Director of Housing to Housing Committee, March 2000.
- Background Files held by the Director of Housing.

13. HOUSING DEPARTMENT AIMS AND OBJECTIVES

The Aim of the Housing Department is 'A decent home within the reach of every citizen of Leicester'.

In particular the Renewal Strategy meets the key objectives of:

- Improve the condition of Leicester's housing stock and resolve unfitness in all sectors
- encourage and enable owners to continue to maintain the private sector housing stock
- reduce the number of empty and under-occupied homes in Leicester
- enable all citizens of Leicester to find a home which suits their needs
- offer citizens housing choices and full mobility between tenures, locations and types of home
- enable citizens of Leicester to stay in their homes as long as they continue to meet their needs
- enable all citizens to have access to affordable warmth and healthy living environment
- Maximize home security in the private sector through advice and direct provision of locks and alarms, etc.

Officers to contact about this report -

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Janice Pearson, Renewal & Grants Service Manager, x5386 or 0116 299 5386

Martin Bromley, Renewal & Grants Service Manager, X5161 or 0116 299 516.

Appendix 1

OVERALL REPAIR COSTS BY AREA

Area	Dwellings	Just Fit Costs		Urgent Costs		Non Urgent Costs		10 year replacement costs		10 – 30 years replacement costs	
Abbey Lane North	339	0	0	46,926	139	463,741	1,370	808,152	2,387	2,581,671	7,626
St Saviours	779	160,138	206	562,397	722	1,998,463	2,566	897,061	1,152	3,335,436	4,283
New Humberstone	571	96,632	164	557,470	976	1,113,343	1,949	1,021,867	1,789	3,849,930	6,740
Swainson Road	198	88,024	445	374,700	1,894	404,139	2,043	401,086	2,058	740,720	3,745
Windsor Ave	304	10,158	35	41,260	136	421,225	1,387	667,109	2,196	1,609,213	5,297
Total	2190	352,312	161	1,582,753	723	4,400,908	2,010	3,795,274	1,733	12,116,969	5,533

Notes:

Definitions within table:

1. Just Fit Costs – this is spending which is required immediately to bring unfit elements up to a standard
2. Urgent Costs – this is spending on repairs which will be required in the next twelve months
3. Non-urgent costs – this is spending on repairs which will be required over the next five years

The table shows average figures and cumulative figures for the area.

