Opinion Research Services

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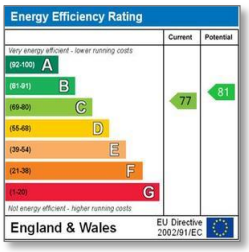


Housing Stock Condition Survey

Allerdale borough council

www.allerdale.gov.uk

Report of Findings

June 2016

Contents

1. Introducing the Study

Overview of the background and survey methodology

1.1 Local authorities have an obligation under the Housing Act 2004 to keep housing conditions in their area under review for all tenures, including private sector housing.

1.2 To meet this obligation, Allerdale Borough Council commissioned Opinion Research Services (ORS) to carry out a survey on a random sample of private sector housing within the borough, referred to throughout this report as a Housing Stock Condition Survey (HSCS). The data collected provides a significant evidence base to inform the Council's Housing Strategy.

The Council's Obligations and Powers

1.3 Councils have an obligation to enforce certain statutory minimum standards in housing and have powers that they can use to do this: mandatory duties are outlined in Appendix A, while further non-mandatory powers are available to the Authority under the Housing Act 2004.

1.4 Local authorities are also required by Government to complete certain returns indicating the distribution of their housing stock by tenure and the condition of certain aspects of the stock.

1.5 Allerdale Borough Council have also developed a number of policies which set out their overall approach to the private sector housing stock.

Guidance regarding House Condition Surveys

1.6 Guidance on how to conduct Surveys has evolved over time:

- Local House Conditions Survey Guidance (1993; updated 2000): the Department of the Environment issued a Guidance Manual setting out how Local House Condition Surveys should be conducted, including a detailed survey form in a modular format, and a step-by-step guide to implementing a survey.
- Housing Health and Safety Rating System Guidance (HHSRS) (guidance was issued in 2004; updated 2006).

1.7 Local authorities are encouraged, by both sets of guidance, to make full use of information gathered from house condition surveys in conjunction with data from other sources.

How was this Survey Conducted?

1.8 ORS used a random sample approach to the survey, selecting addresses at random from a list of all private sector dwellings provided by the Council (that is, all domestic dwellings that are either owner occupied or rented from a private landlord) and then surveying these. This robust sample approach derived evidence that was then extrapolated to gain an understanding of all private sector housing in the borough.

1.9 It is important to note that all social rented dwellings (all dwellings rented from the Council, or from a housing association or another registered social landlord) were excluded from the survey.

1.10 ORS carried out surveys on 924 dwellings across the borough between November 2015 and February 2016. A total of 2,000 addresses were selected at random from a list of all private sector dwellings in the borough in order to derive the 924 surveys, as not all home-owners and tenants were able to take part.

1.11 For all of the 924 surveys conducted, information on the following factors was collected:

- general characteristics of the dwelling;
- condition of the internal and external fabric;
- provision of amenities;
- compliance with housing health and safety standards;
- age and type of elements;
- energy efficiency measures;
- compliance with the Decent Homes Standard: Details about the Decent Homes Standard are outlined in Appendix B.
- socio-economic information about the household (where occupied).

Comparing Allerdale with England

1.12 To gain an understanding of how Allerdale compares to the rest of England, ORS used the English Housing Survey (EHS), a national survey updated annually. Where possible, the most recent results for 2014-15 have been used in this report, although in some instances the most recently available results for the EHS are for 2013-14.

Accuracy of Findings

1.13 This study was completed using a sample survey. A sample survey works by applying a weight to each dwelling surveyed. Put simply, by surveying 924 dwellings from a total of 38,370 dwellings, we would assign a weight of around 42 to each survey. In other words, each property surveyed would represent around 42 properties in the borough. By using as many as 924 surveys and choosing addresses randomly we can be confident that results are representative of the housing stock as a whole.

1.14 Because not all dwellings were surveyed, however, there will always be some difference between the survey results and the real world. This difference is called statistical variance. We described statistical variance in terms of 'confidence limits' and 'standard deviation':

- Standard Deviation is the extent to which a result from the survey, say percentage of dwellings that are privately rented, may be inaccurate either above or below its stated level.
- Confidence limits state that if the entire survey process were repeated, out of how many of these repetitions would there be confidence in staying within the variation. Traditionally, and in the case of this report, 95% confidence limits have been used, which state that if the survey were carried out 100 times, in 95 cases the standard deviation would be a given amount. More detail on the calculation of standard deviation is given in the appendices.

1.15 Further information about the survey sampling, fieldwork and weighting will be detailed in an appendix.

Presentation of Figures

1.16 The figures presented in this report are estimates, since they are based on a sample, not an actual count. Quoting an exact figure for any number, for example: the number of privately rented dwellings is not necessary and would not be accurate. For this reason, as with the EHS, figures are quoted to the nearest 100 dwellings, or nearest 10 for smaller numbers. Percentages within the report are only quoted to 1 decimal place for the same reason. An additional reason for doing this is that most issues will be changing on a daily basis across a housing stock of this size, so the results can only ever be a snap-shot in time.

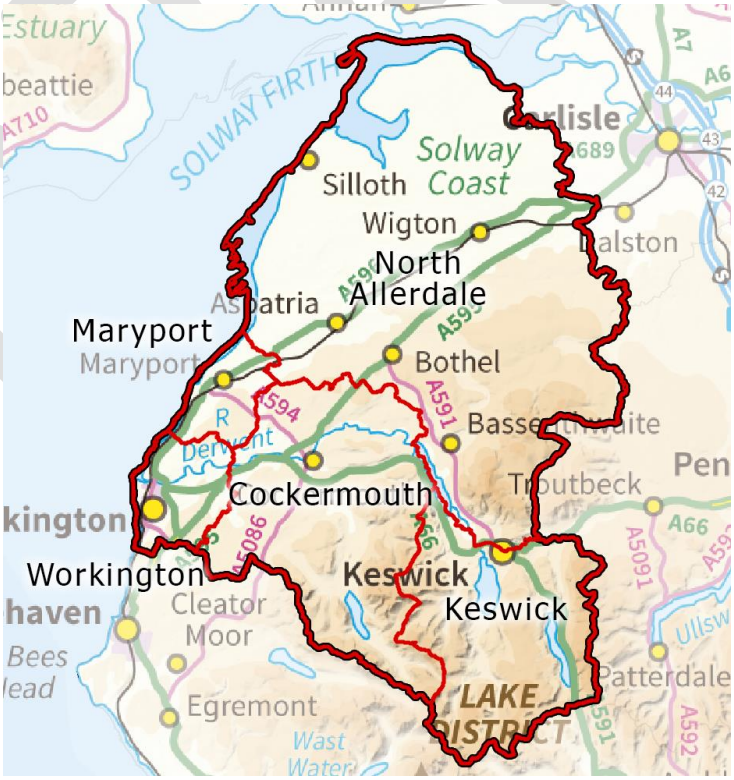
1.17 It is important to emphasise that because social rented stock was not included within the survey, all survey results are based on private sector dwellings (owner occupied and privately rented dwellings) only.

Definition of Area

1.18 Although the survey covered the whole Allerdale borough area, certain results are shown broken down into sub-areas based on the major towns of Cockermouth, Keswick, Maryport, North Allerdale and Workington.

1.19 The locations of the towns and the boundaries of the sub-areas can be seen in Figure 1 below.

Figure 1: Map of Allerdale showing major towns and sub-area boundaries.



2. General Housing Characteristics

A profile of the housing stock in Allerdale

Dwelling Stock

2.1 The total number of domestic residential dwellings in Allerdale (excluding social housing stock which was out of scope for the study) is approximately 38,370. This is derived from a list of eligible properties provided by Allerdale Borough Council. "Domestic" dwellings exclude any commercial properties and "residential" excludes any property not considered habitable living space, according to definition used in the EHS[1].

Vacant Dwellings

2.2 National policy is to bring vacant dwellings back into use to help both to ease the housing shortage and maximise the use of existing stock.

2.3 Vacant dwellings can be difficult to identify and there are frequently problems in gaining access for surveys; however on the basis of the survey data it is possible to estimate that there are approximately 2,280 vacant dwellings in Allerdale, or 5.9% of the stock. The national average is approximately 4.3%.

2.4 Of these properties, the survey estimates that around 1,210 dwellings (3.1% of the overall stock) are long-term vacant (defined as any dwelling vacant for six months or more, or subject to unauthorised occupation). This figure will be subject to constant fluctuation and is affected by a small sample size making it less reliable. 2.8% of stock is short-term vacant. The figures are higher than those shown in the Council Tax records from October 2015. Some long-term empty properties will not be recorded for Council Tax purposes, while the stock condition survey is based on a sample of properties so we would not expect them to be exactly the same.

Figure 2: All dwellings by Occupancy Status (Source: Allerdale HSCS 2015-16)

Reason for vacancy	Short-term vacant		Long-term vacant		Total	
Occupied					36,090	94.07%
Vacant awaiting new owner	400	1.05%	500	1.29%	900	2.34%
Vacant awaiting new tenant	240	0.61%	210	0.55%	440	1.16%
Vacant being modernised	430	1.13%	430	1.13%	870	2.26%
New never occupied	0	0.00%	70	0.18%	70	0.18%
All vacancy reasons	**1,070**	**2.79%**	**1,210**	**3.14%**	**2,280**	**5.93%**
All dwellings					**38,370**	**100.00%**

[1] This is the total number of rooms in the dwelling which offer "living accommodation". It includes kitchens if there is additional space to provide a dining area large enough to accommodate a table and chairs (typically an area 2m by 2m additional to kitchen space). It includes a fully converted room in the loft space even if it can only be reached by a fixed ladder or unsafe staircase.

Tenure

2.5 Figure 3 draws tenure comparisons between the stock profile for Allerdale and that for England as a whole. The data for dwellings from the HSCS is broadly consistent with the household split from Census 2011. A higher proportion of dwellings are owner occupied relative to England as a whole. There is some evidence that the private rented sector in Allerdale has grown since 2011, but this is in the context of a sample survey so should be treated with caution.

Figure 3: Tenure proportions (Source: Allerdale HSCS 2015-16, Census 2011, EHS 2014-15)

Tenure	Allerdale 2015-16		Census 2011			EHS (2014-15)
	Dwellings	Per cent	Allerdale		England	
			Households	Per cent		
Owner occupied	30,280	84%	29,420	86%	78%	76%
Privately rented	5,810	16%	4,840	14%	22%	24%
All Tenures	**36,090**	**100%**	**34,260**	**100%**	**100%**	**100%**

Private Rented Sector

2.6 The past decade-and-a-half since the 2001 Census has seen a substantial and rapid change in the tenure distribution of housing in England. Privately rented dwellings have increased from approximately 10% of dwellings in 2001 up to around 18% of all dwellings by 2011. This increase has not been evenly distributed, but, rather, has been affected by market economics and suitability of housing stock.

2.7 One of the key regions driving up the national average is London, with an estimated 8% average growth per annum in the capital since 2001. Behind this are larger cities, which have seen slightly lower, but still substantial, growth levels.

2.8 The private rented sector has grown in Allerdale in the last decade. At the time of the 2001 Census there were 3,900 households in the private rented sector (9.8%) with the 2011 Census showing that this had risen to 4,850 (11.4%)[2].

2.9 This change in the size of the sector has significant implications for the Council in terms of housing conditions, housing need & demand and housing affordability.

[2] We would note that in the private rented households we have included any households who live rent free. This category often includes dwellings which are tied accommodation linked to workers, or households who are living in properties belonging to other family members.

Figure 4: Household Tenure 2001 (Source: UK Census of Population 2001)

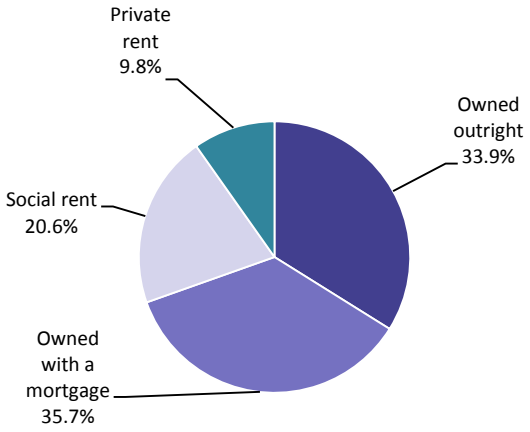
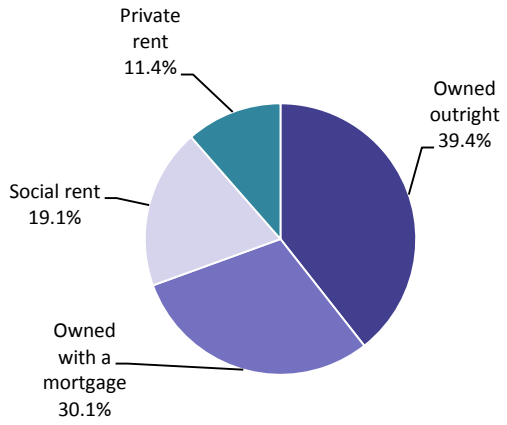
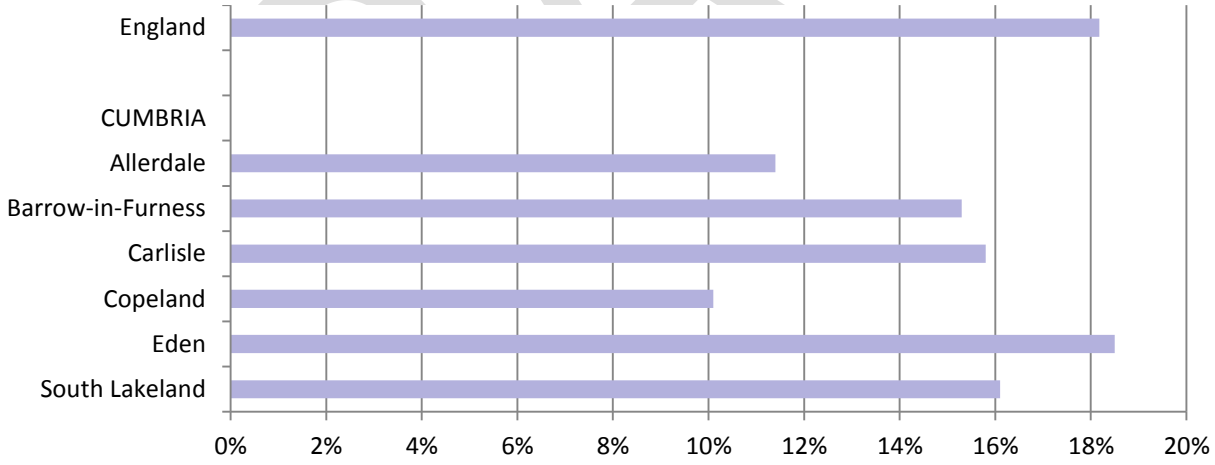


Figure 5: Household Tenure 2011 (Source: UK Census of Population 2011



2.10 In 2011, across the whole of England, the average rate of private renting is 18.2% of all households. The equivalent rate for Allerdale is 11.4% and therefore the area has a level of private renting that is below the national average. Figure 6 compares the size of the private rented sector across the various local authorities in Cumbria. It is clear that Allerdale does not have a particularly large private rented sector in the Cumbrian context, with only Copeland having a lower figure.

Figure 6: Private Renting Rates by Cumbrian Local Authorities (Source: UK Census of Population 2011)



2.11 A more detailed explanation of other changes in Allerdale's private rented sector is provided in Chapter 6.

Houses in Multiple Occupation

2.12 "Dwelling" is a term used to describe both flats and houses. There are approximately 38,370 private sector dwellings in Allerdale. Flats will often be part of a building that has more than one dwelling, so there will be fewer buildings in an area than dwellings. There are a total of approximately 36,870 buildings in Allerdale.

Figure 7: Building use profile (Source: Allerdale HSCS 2015-16)

Typology	Dwellings	Per cent of dwellings	Buildings	Per cent of buildings
House (Single household)	35,490	92.51%	35,490	96.27%
Converted flat (Single household)	440	1.15%	180	0.50%
Purpose built flat (Single household)	1,960	5.11%	870	2.35%
S257 Non-Compliant Flats	230	0.59%	80	0.22%
HMO	250	0.64%	250	0.67%
Total	**38,370**	**100.00%**	**36,870**	**100.00%**

2.13 Where three or more people in two or more households live in the same dwelling (for example, a group of adults sharing a house), this is considered to be a "House in Multiple Occupation (HMO)". In addition, there is an additional category of sub-divided dwellings where a building has been converted into flats and is defined by Section 257 of the Housing Act (known as S.257 HMOs).

- A S257 building – Converted flats in a building where more than a third of the flats are privately rented, let on short-term tenancies, and the building conversion does not comply with 1991 (or later) building regulations.
- Shared houses – A dwelling that might otherwise be a family home being shared by a number (3 or more) of un-related adults.
- A Bedsit – A dwelling that has been converted for multiple occupation with individual rooms having some facilities of their own, and often a specified address (room number), but where there are still common parts and some shared amenities in the building.

2.14 There are a wide range of complex variations in the way buildings are used and sub-divided in the real world. It can, on occasion, be hugely difficult to interpret the Act and arrive at a dwelling/building use definition. In the case of the survey this has been simplified as far as possible, so results will be subject to a small amount of error, but are as good an indicative picture as it is practicably possible to achieve.

2.15 Note that the Housing Act 2004 defines certain types of HMO as licensable. For these HMOs there is an obligation on the landlord to apply to the local authority, where the HMO is located, for a licence. Local authorities, therefore, must be in a position to manage the application for licences. Specifically, licensable HMOs are those that are of three or more storeys with five or more residents living as two or more households that share some facilities.

Property Management

2.16 When a dwelling which was privately rented was surveyed, a series of separate questions were asked of the tenants within the dwelling which covered questions about renting in the private rented sector. The findings in Figure 8 generally indicate that while most of the privately rented sector is likely to be well managed, there are likely to be issues around landlords failing to protect their tenants' deposits in a government backed scheme (though it is also possible that some tenants are not aware of the requirement for the deposit to be protected in this way).

2.17 However, across the remaining measures the results are more positive. In particular, the vast majority of landlords provide an emergency number (98%) and respond to problems in a reasonable time (96%).

2.18 96% of dwellings have a working smoke alarm present.

Figure 8: Private tenancy, landlords and privately rented dwellings (Source: Allerdale 2015-16)

Issues arising with private sector landlords	Private rented dwellings where household answered 'Yes'	
	Number	Proportion
Is there a written tenancy agreement?	5,160	88.90%
Does the landlord respond to problems in a reasonable time?	5,590	96.21%
Does the landlord have an emergency number?	5,690	98.02%
Does the landlord carry out routine maintenance?	5,170	88.98%
Does the landlord always give notice before entering the property?	4,880	83.95%
Is there a smoke alarm working and present?	5,580	96.12%
All occupied private rented dwellings *	**5,810**	**100.00%**

* Note: this is lower than the figure for all private rented dwellings as it excludes privately rented dwellings currently being marketed

Fire Safety

2.19 Figure 9 provides a breakdown of the extent to which fire safety measures were present. Figures are broken down between self-contained flats and HMOs.

2.20 Certain aspects of fire safety provision in private rented flats and HMOs in Allerdale could be considered as requiring improvement, with only 5% of self-contained flats having a fire blanket and 37% of HMOs having fire extinguishers present.

2.21 Positively, however, 73% of privately rented flats and HMOs have a mains wired smoke alarm present, and more than nine out of ten have any kind of smoke alarm.

Figure 9: Fire safety provision in Private Rented Flats and HMOs (Source: Allerdale HSCS 2015-16. Note: Dwellings may have more than one fire safety measure, so the number of measures will total more than the total number of dwellings)

Fire safety measure	Self-contained flats		HMOs		Overall	
	Number	Per cent	Number	Per cent	Number	Per cent
Fire safety notice	1,810	75.53%	220	47.41%	2,040	70.90%
Smoke detectors	1,850	76.90%	250	51.83%	2,090	72.77%
Fire extinguisher	1,280	53.52%	180	37.25%	1,460	50.84%
Fire blanket	130	5.23%	70	14.12%	190	6.69%
Fire proof doors	1,380	57.36%	390	82.13%	1,770	61.44%
Protected escape route	1,510	63.11%	330	69.24%	1,840	64.12%
Escape route free from obstructions	1,270	53.09%	390	83.36%	1,670	58.08%
Total number of dwellings	**2,400**	**100%**	**470**	**100%**	**2,870**	**100%**

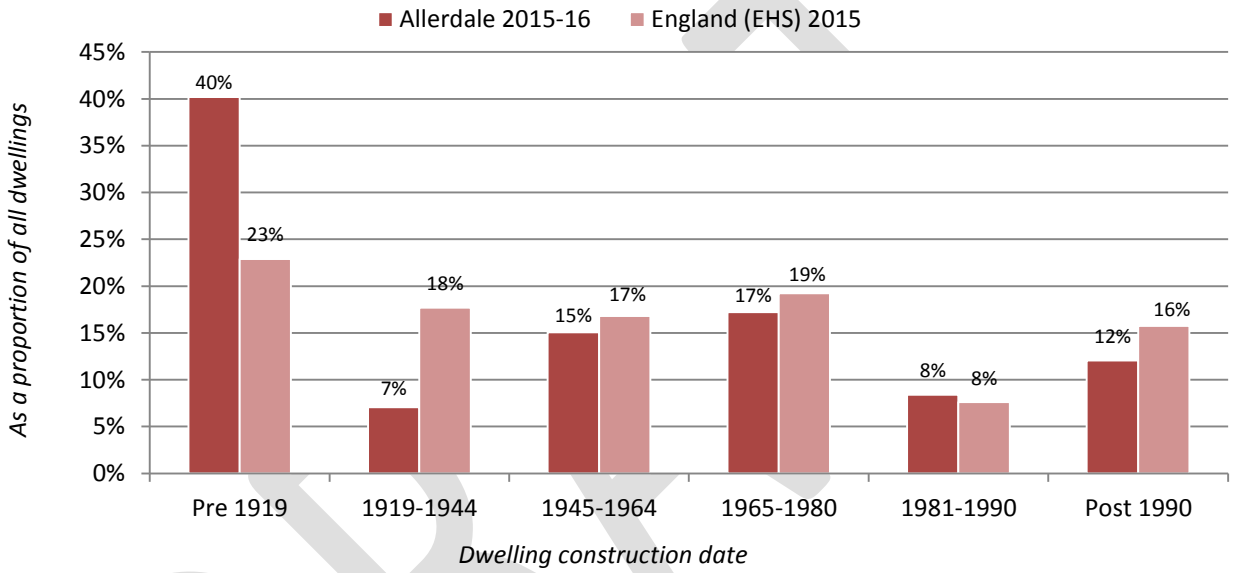
Dwelling Characteristics

Dwelling Construction Date

2.22 Figure 10 shows the construction date profile for private dwellings in Allerdale. A significant proportion of dwellings were constructed before the end of the First World War (40%, compared to 23% in England as a whole). Only 7% of dwellings date from the period 1919 to roughly the end of the Second World War, which is much lower than the national average.

2.23 The distribution since 1945 is broadly consistent with that for England, albeit building rates since 1990 are slightly below the national average.

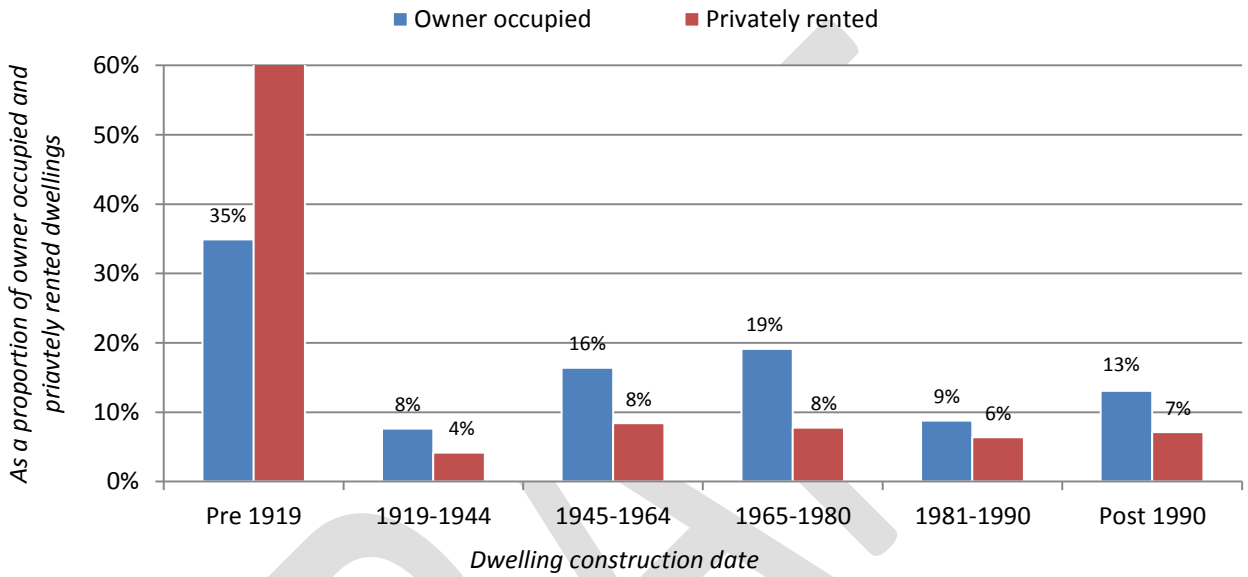
Figure 10: Dwelling age profile England & Allerdale (Source: Allerdale HSCS 2015-16, EHS 2014-15)



2.24 Figure 11 provides a breakdown of dwelling construction date by tenure in order to compare the age of owner occupied and privately rented dwellings:

- More than a third (35%) of owner occupied dwellings date from before 1919; however, the proportion of privately rented dwellings in this age band is almost two thirds (66%);
- 41% of owner occupied dwellings have been built since the Second World War, compared to just 21% of private rented stock.

Figure 11: Dwelling age profile by tenure in Allerdale (Source: Allerdale HSCS 2015-16)

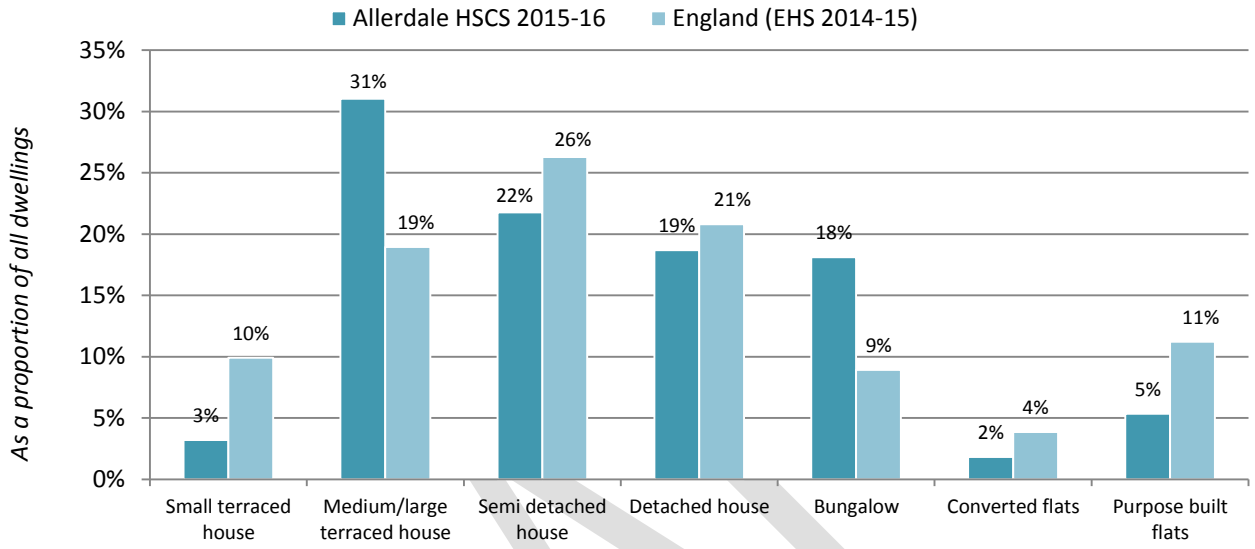


Dwelling Type Profile

2.25 Figure 12 shows the building type profile for Allerdale, alongside that for England.

2.26 Following the definition used by the English Housing Survey, terraced houses have been classified as either small (a total floor area of less than 70m^2) or medium/large (a total floor area of 70m^2 or more).

Figure 12: Dwelling type profile Allerdale & England (Source: Allerdale HSCS 2015-16, EHS 2014-15) (NB: due to low numbers, high rise and low rise purpose built flats have been amalgamated)

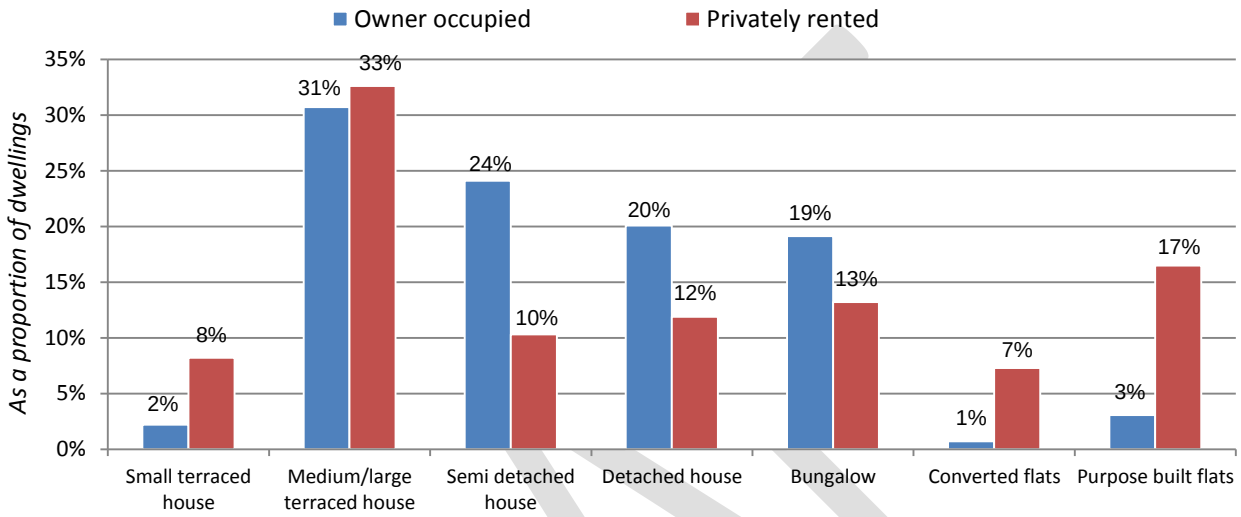


2.27 Medium/large terraced housing is more common than in England as a whole. The proportion of bungalows is also around twice that seen nationally. There are fewer small terraced houses and purpose built flats relative to England as a whole.

2.28 Figure 13 shows that:

- Medium/large housing is the most widespread property type in Allerdale across both tenures; this property type represents 31% of owner occupied and 33% of privately rented dwellings.
- Semi-detached houses (24%), detached houses (20%) and bungalows (19%) each represent around a fifth or more of owner occupied dwellings
- Purpose built flats and small terraced houses represent a much higher proportion of privately rented dwellings, compared to owner occupied dwellings.

Figure 13: Proportion of dwelling type profile by tenure (Source: Allerdale HSCS 2015-16)



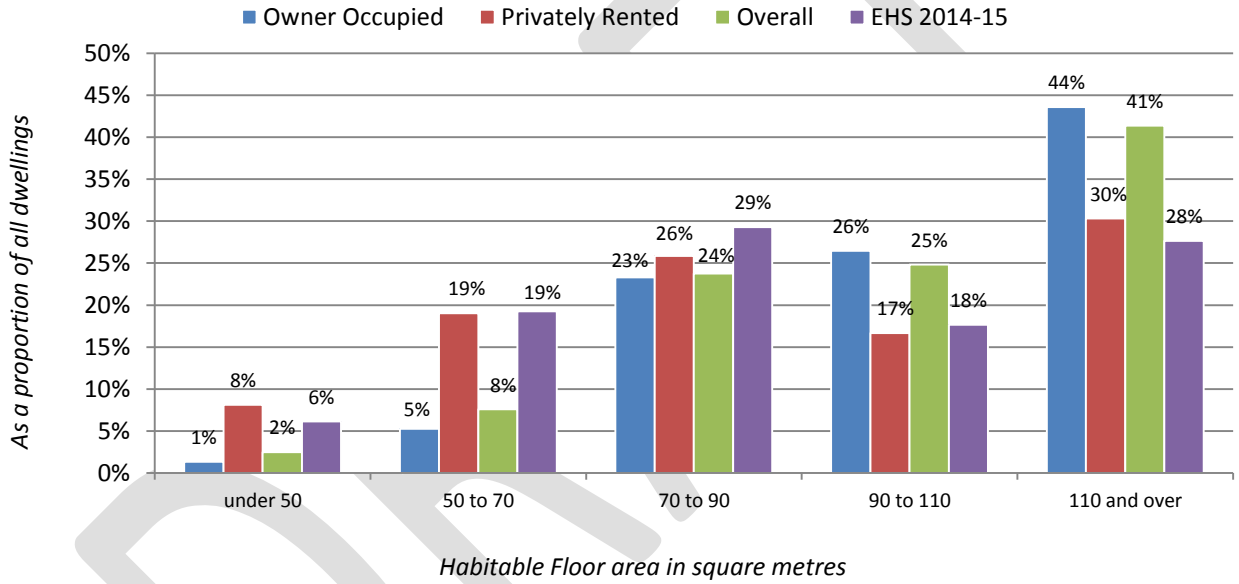
*Note: Low rise purpose build flats have fewer than 5 storeys; high rise purpose build flats have 5 storeys or more

Dwelling Size

2.29 Figure 14 shows the dwelling size profile for Allerdale:

- Compared to England as a whole, Allerdale has a high proportion of larger properties (90 square metres or above) but a low proportion of smaller dwellings (70 square metres or less).
- Larger properties (over 90 square metres) have higher proportions of owner occupation
- For smaller properties (70 square metres or less) the reverse is the case: these dwellings have much higher rates of private rent
- The differences in dwelling size between owner occupation and private rent largely reflect the distribution of dwelling types – larger dwelling types such as detached houses and bungalows are more prevalent in the owner occupied sector, whereas smaller terraced housing and flats are more strongly associated with private rent.

Figure 14: Dwelling size profile (Source: Allerdale HSCS 2015-16)

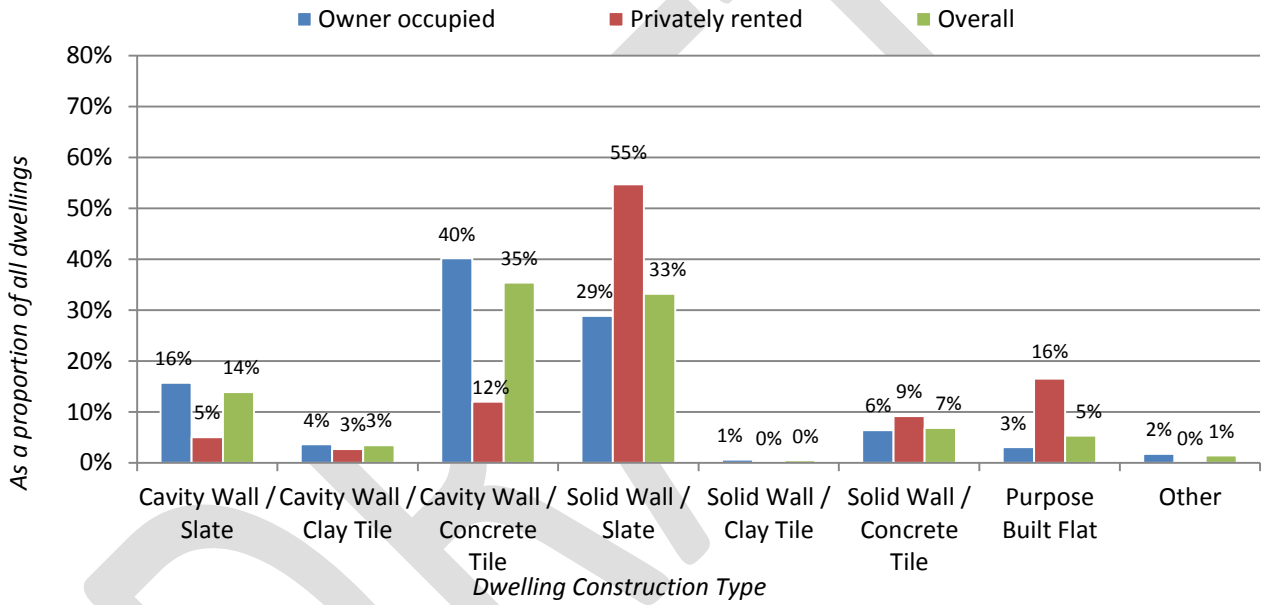


Dwelling Construction Type

2.30 Figure 15 shows the following regarding construction type:

- 53% of dwellings in Allerdale have cavity walls, while 41% have solid walls (the remaining 6% of dwellings is a mixture of purpose built flats and other build types)
- Concrete is the most prevalent tile type for cavity walled dwellings, whereas slate tiling is most common for dwellings with solid walls
- Owner occupied dwellings are more likely to have cavity walls, while solid walled dwellings are more prevalent in the private rented sector (reflecting the strong association between this tenure and older (pre-1919) dwellings)
- However, there is a mixture of build types within both tenures.

Figure 15: Dwelling construction type (Source: Allerdale HSCS 2015-16)



Household Characteristics

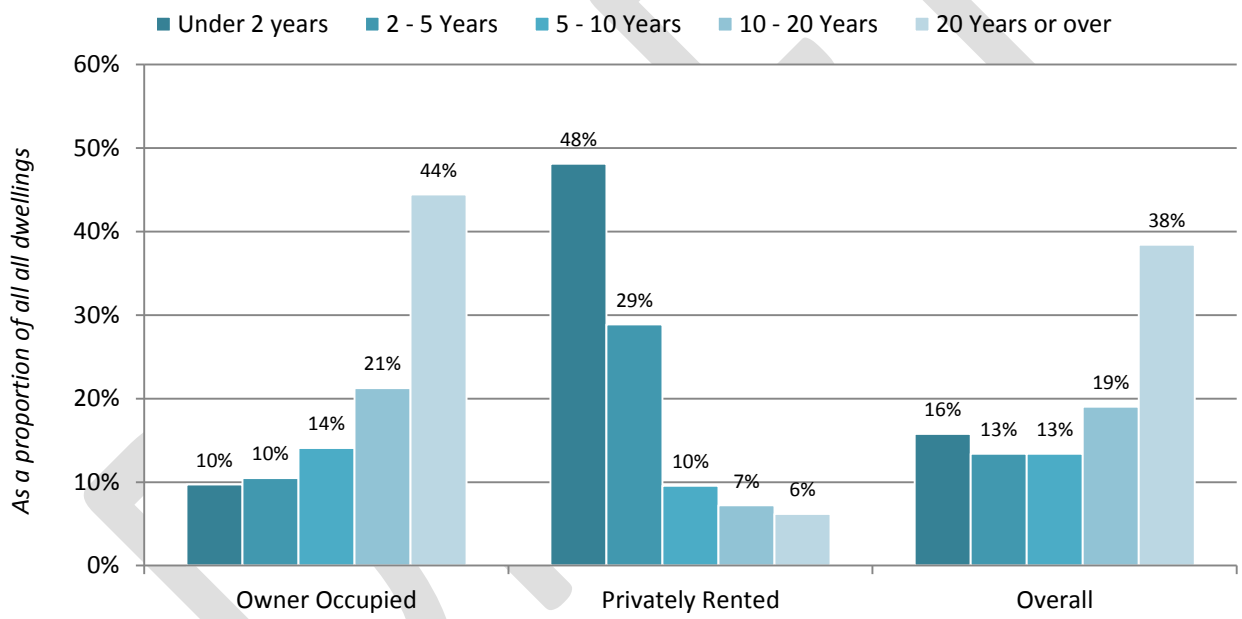
Length of Residence

2.31 Figure 16 considers length of residence and shows:

- The proportion of households who have been resident for less than two years is approximately 16%.
- However, 48% of tenants in the private rented sector have moved to their current address in this time.
- While 66% of owner occupiers have lived in their home for 10 years or more, only 13% of private rented tenants have done so.

2.32 The particularly high proportion of private sector tenants with tenancies of less than two years reflects a relatively more mobile population than that for owner occupiers.

Figure 16: Length of time at current address (Source: Allerdale HSCS 2015-16)



Residents with a disability

2.33 In order to address the specific housing needs of residents with a disability, the provision of Disabled Facilities Grants (DFG) by local authorities remains mandatory.

2.34 Local authorities must consider this when assigning budgets to housing provision. There are certain factors that mitigate this demand: firstly, DFGs are subject to means testing, except for adaptations for children and the provision of equipment, and secondly, there needs to be an assessment by an Occupational Therapist who will consider whether an adaptation is necessary and appropriate and also by the local authority to establish if any recommended adaptations can be reasonably and practically undertaken taking into account the construction and configuration of the dwelling.

2.35 Where it was indicated that a member of the household suffered from a long term illness or disability, the survey form included a section regarding the existing provision of adaptations or equipment and also whether the occupier felt there was the need for further adaptations or equipment.

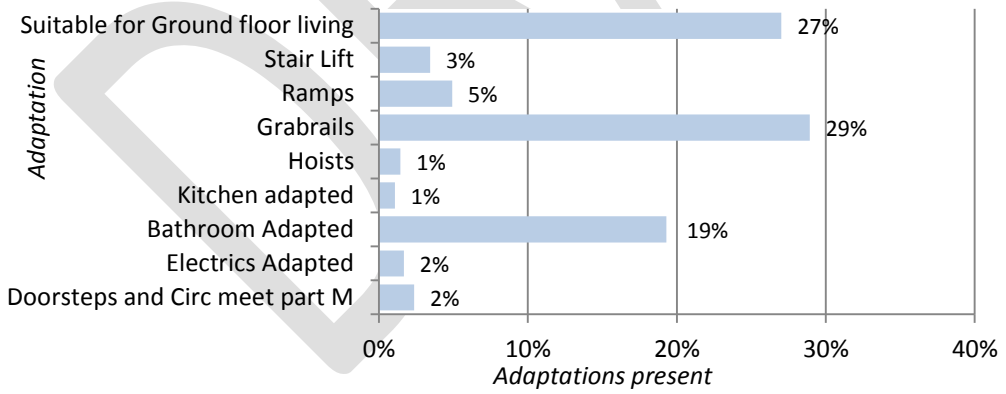
Adaptations/Equipment

2.36 There are approximately 8,600 households in Allerdale which contain a household member with a long-term limiting illness or disability (22%).

2.37 Around 7,360 dwellings have at least one adaption present (19%).

2.38 Figure 17 below shows adaptations present for households with someone present with a disability or long-term limited illness.

Figure 17: Disabled adaptations/equipment present (Source: Allerdale HSCS 2015-16)



Chapter 2 Summary

Vacant dwellings

» There are approximately 2,280 vacant dwellings in Allerdale, which is around 5.9% of the total dwelling stock. 1,210 of these (3.1%) are long-term vacant.

Tenure

» The HSCS data shows that, of the dwellings that are in scope for the study (i.e. private sector dwellings only), 84% of dwellings are owner occupied and 16% are privately rented. This split is broadly consistent with household data from Census, and also shows that levels of owner occupation are higher in Allerdale compared to England as a whole.

Houses in Multiple Occupation

» In the private sector in Allerdale, there are around 230 S257 HMOs, and a further 250 other HMOs.

Property Age

» Two fifths of dwellings were constructed before 1919, and this proportion is much higher than that seen nationally. Looking at the post-War period, the age distribution of dwellings is broadly similar to that for England as a whole, although the proportion of dwellings built since 1990 is a little below the national average.

» The age profile for privately rented dwellings is generally older than that for owner occupation.

Property Type

» Compared to England as a whole, Allerdale has more medium/large terraced houses and bungalows, and fewer small terraced houses and purpose built flats.

Property Size

» Allerdale has a higher proportion of large dwellings compared to England as a whole. Owner occupied dwellings are likely to have more living space than privately rented dwellings and this is consistent with the tenure breakdown of dwelling type (with detached/semi-detached dwellings and bungalows being more prevalent in the owner occupied sector).

Property Construction

» 53% of dwellings in Allerdale have cavity walls, while 43% have solid walls (the remaining 5% is a mixture of purpose built flats and other build types).

» While solid walled dwellings are more prevalent in the private rented sector (reflecting the strong association in Allerdale between this tenure and older properties), there is a mixture of build types in both the main tenure groups.

Tenure Length

» While 66% of owner occupiers have lived in their home for ten years or more, only 13% of private renters have lived in their home for this period of time.

» Overall, the proportion of households that have been resident for less than two years is 16%, although this rises to 48% if looking only at the private rented sector.

Limiting Long Term Illness

» There are approximately 8,600 households with at least household member with a long-term limiting illness or disability (22%).

3. Statutory Minimum Standards

The Housing Health and Safety Rating System (HHSRS)

Obligation to Tackle Housing Health and Safety Hazards

3.1 Tackling Health and Safety hazards in homes is an important issue both in terms of the quality of the housing stock but also in terms of the contribution this makes to Health and Well Being. The obligation to do so is set out in law.

3.2 From April 2006, Part 1 of the Housing Act 2004 repealed the former housing fitness standard and through statutory instruments and statutory guidance replaced it with the Housing Health and Safety Rating System.

3.3 As described in Appendix A, the Act differentiates between Category 1 and Category 2 hazards. Local authorities have a duty to take 'the most appropriate course of action' in respect of any hazard scored under the HHSRS as Category 1. Authorities have discretionary power to take action with Category 2 hazards (which do not score past the threshold for Category 1). Further information on the HHSRS is given in Appendix A and below.

Definition of Hazards under the HHSRS and Category Level

3.4 The Housing Health and Safety Rating System (HHSRS) is a prescribed method of assessing individual hazards, rather than a conventional standard to give a judgment of fit or unfit. The HHSRS is evidence based – national statistics on the health impacts of hazards encountered in the home are used as a basis for assessing individual hazards.

3.5 The HHSRS system deals with a much broader range of issues than the previous fitness standard. It covers a total of 29 hazards in four main groups:

- Physiological Requirements (e.g. damp & mould growth, excess cold, asbestos, carbon monoxide, radon, etc.)
- Psychological Requirements (crowding and space, entry by intruders, lighting, noise)
- Protection Against Infection (domestic hygiene, food safety, personal hygiene, water supply)
- Protection Against Accidents (e.g. falls on the level, on stairs & steps & between levels, electrics, fire, collision…)

3.6 The HHSRS scoring system combines elements:

- the probability that deficiency (i.e. a fault in a dwelling whether due to disrepair or a design fault) will lead to a harmful occurrence (e.g. an accident or illness)
- the spread of likely outcomes (i.e. the nature of the injury or illness).
- if an accident is very likely to occur and the outcome is likely to be extreme or severe (e.g. death or a major or fatal injury) then the score will be very high.

3.7 All dwellings contain certain aspects that can be perceived as potentially hazardous, such as staircases and steps, heating appliances, electrical installation, glass, combustible materials, etc. It is when disrepair or inherent defective design makes an element of a dwelling ***significantly more likely*** to cause a harmful occurrence that it is scored under the HHSRS.

3.8 The HHSRS generates a numerical Hazard Score, and Hazard Bands have been devised as a simple means for handling the wide range of possible Scores. There are ten Hazard Bands, with Band J being the safest, and Band A being the most dangerous:

- Hazard Bands A to C (i.e. Hazard Scores of 1,000 and above) are the most serious hazards, and these are known as **Category 1** (serious) hazards.
- Hazard Bands D to J (i.e. Hazard Scores below 1,000) are known as **Category 2** (other) hazards.

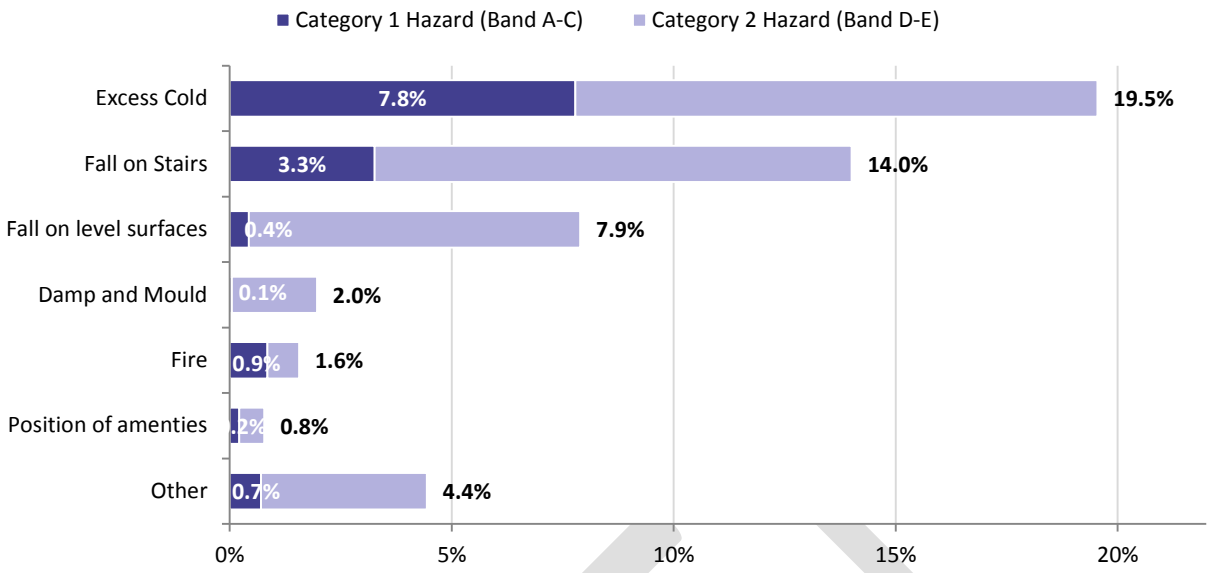
3.9 A local authority has a duty to deal with any Category 1 hazards found and has discretionary power to deal with Category 2 hazards. The HSCS focuses particularly on Category 1 hazards, but describes all hazards (including Category 2 hazards in Bands D and E) for comparative purposes. All of the main requirements facing local authorities have remained unchanged in the Housing and Planning Act 2016.

Hazards Identified by the Survey

3.10 Surveyors scored a range of HHSRS hazards and the survey form allowed for this. Excess Cold is modelled from survey data, at the individual dwelling level, in order to provide a more accurate picture for this hazard type. The modelling of excess cold hazards by use of SAP (energy efficiency) information was outlined in CLG guidance in June 2006 and has been used by the BRE as part of the housing stock projections for excess cold hazards. It is also the methodology adopted by the English Housing Survey. The modelling of Excess Cold hazards is based on the use of the individual SAP rating for each dwelling, which is scaled to give a hazard score. Where a dwelling has a SAP rating of less than 35, this produces a Category 1 hazard score. Further details about SAP are provided in chapter 5 of the report.

3.11 The overall proportion of dwellings with a Category 1 hazard in Allerdale is 11.6%, which represents a total of around 4,440 dwellings. This compares with 13.2% of dwellings across England (based most recently available EHS data). The most prominent Category 1 hazards identified are Excess Cold and Falls on Stairs (7.8% and 3.3%% respectively) as illustrated in Figure 18.

Figure 18: Reasons for failure by Category 1 and Category 2 hazards (Source: Allerdale HSCS 2015-16)



3.12 A breakdown of Category 1 hazards by hazard type for each tenure is given in Figure 19:

- The proportion of privately rented dwellings with a Category 1 hazard (21.0%) is more than twice the proportion of owner occupied dwellings (9.7%).
- Excess cold hazards and falls on stairs are the most prominent reason for failure in both tenure groups, although these are more prevalent in the private rented sector (14.0% and 7.0% respectively) compared to the owner occupied sector (6.5% and 2.5% respectively)
- Failures due to fire, falls on level surfaces and 'other' reasons not listed in the table are all more prevalent in owner occupied dwellings; however, the proportions of dwellings experiencing these hazards are much smaller (all <1%).

Figure 19: Category 1 hazard reasons for failure by tenure (Source: Allerdale HSCS 2015-16)

Category 1 Hazard	Owner occupied		Privately rented		Overall	
Excess Cold	2,080	6.53%	900	13.96%	2,990	7.78%
Fall on Stairs	800	2.51%	450	7.01%	1,250	3.27%
Fire	310	0.96%	20	0.32%	330	0.85%
Fall on level surfaces	170	0.52%	0	0.00%	170	0.43%
Uncombusted Fuel	80	0.26%	20	0.38%	110	0.28%
Other	270	0.84%	0	0.00%	270	0.70%
Total hazards	*3,710*	-	*1,400*	-	*9,520*	-
Total dwellings with a Category 1 hazards	**3,090**	**9.68%**	**1,360**	**20.97%**	**4,440**	**11.58%**
Total Dwellings	**31,900**	**100%**	**6,470**	**100%**	**38,370**	**100%**

3.13 250 dwellings (0.7%) have two Category 1 hazards and around 80 dwellings (0.2%) have three or more Category 1 hazards identified.

Category 1 Hazards and Dwelling Stock Characteristics

3.14 This section examines the relationship between those general stock characteristics set out in Chapter 2, with the level of Category 1 hazards by tenure, dwelling type and construction date.

- Location: much higher proportions of dwellings in Keswick (24.3%) and North Allerdale (18.6%) have Category 1 hazards compared to the remaining three areas (all of which are below the Allerdale average).
- Tenure: private rented stock (21.0%) has relatively more Category 1 hazards than owner occupation (9.7%)
- Construction date: pre 1919 properties (19.9%) are significantly more likely to have a Category 1 hazard than the most recently built properties (only 0.4% of post 1990 dwellings have a Category 1 hazard)
- Dwelling type: around a third (36.9%) of converted flats have a Category 1 hazard, while the rates of failure for detached houses (13.8%), bungalows (12.3%) and medium/large terraced houses (11.8%) are either very close to, or slightly above, the Allerdale average. Lower rates are seen in small terraced houses (8.6%) and semi-detached houses (5.5%)

Figure 20: Category 1 Hazards by area (Source: Allerdale HSCS 2015-16)

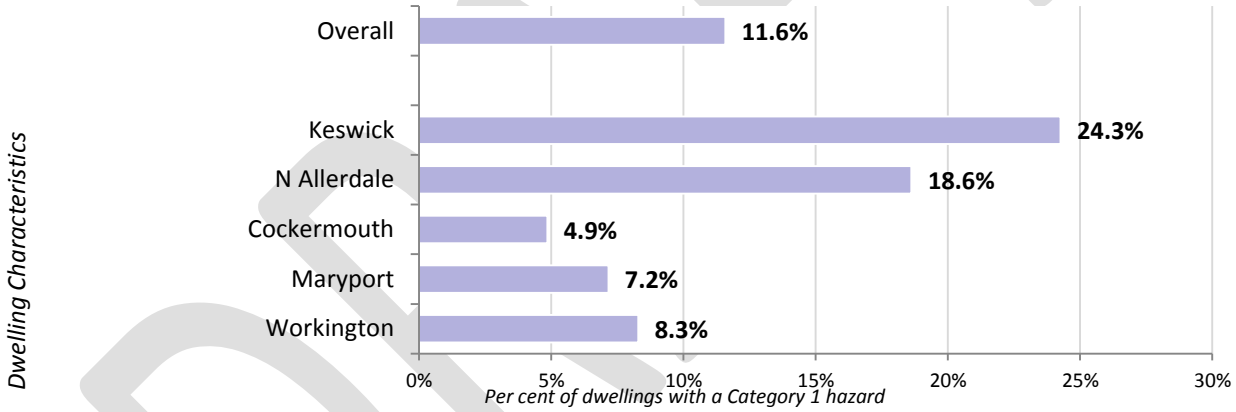


Figure 21: Category 1 Hazards by tenure (Source: Allerdale HSCS 2015-16)

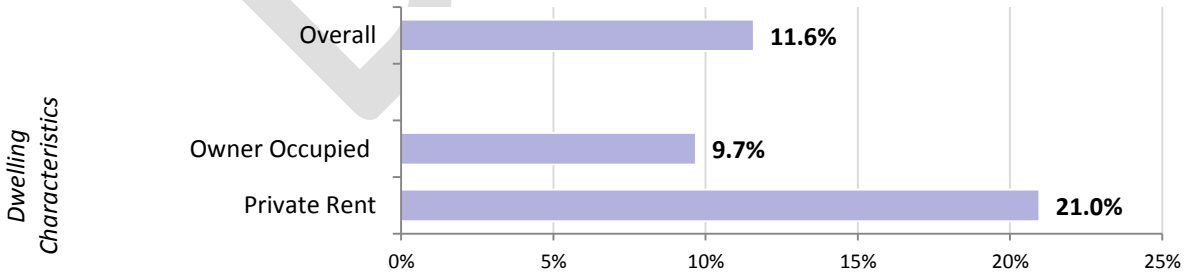


Figure 22: Category 1 Hazards by construction date (Source: Allerdale HSCS 2015-16)

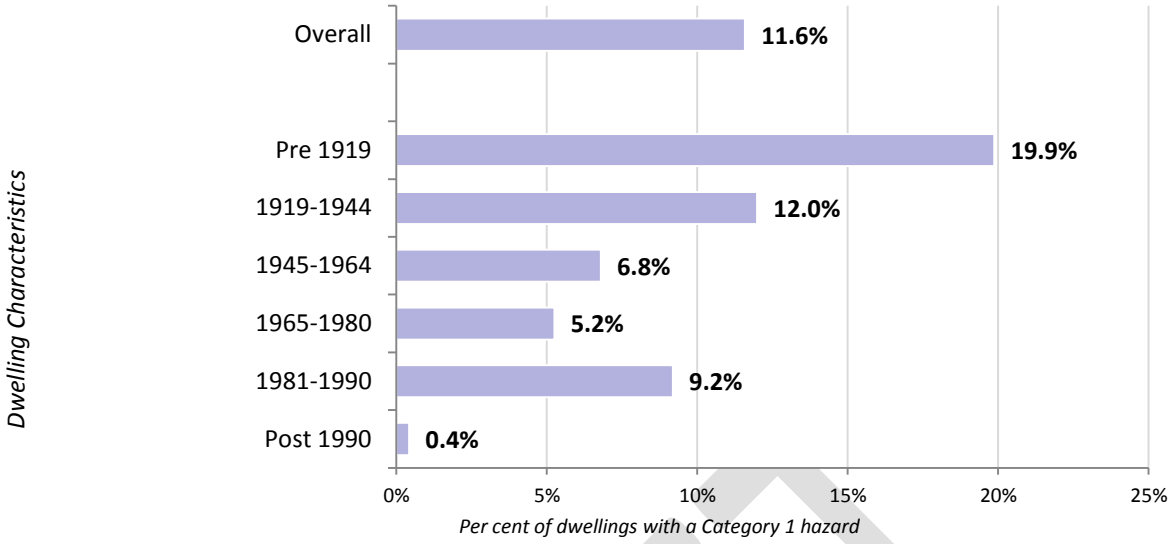
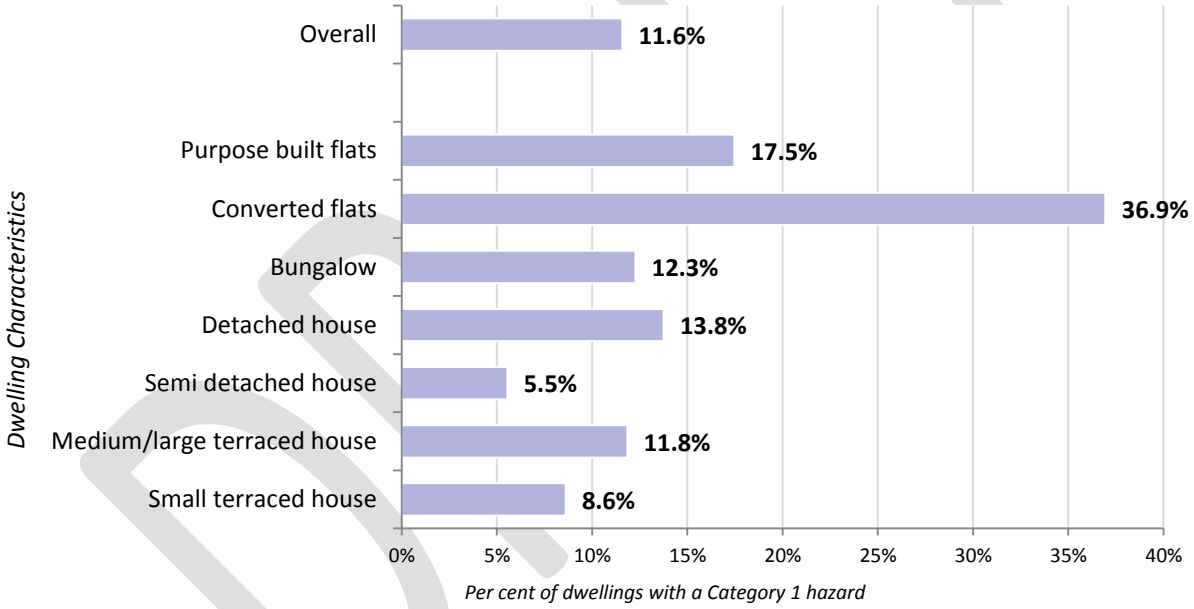


Figure 23: Category 1 Hazards by dwelling type (Source: Allerdale HSCS 2015-16)



Comparison with 2011

3.15 The HSCS carried out in 2011 estimated that a quarter of private sector dwellings had a Category 1 hazard. The result for 2015-16 – 11.6% - therefore represents a sizeable decrease.

3.16 However, this significant decrease is broadly in line with national trends: in 2009 the EHS estimated that 22.0% of national dwellings had a Category 1 hazard, whereas in 2014 this had fallen to 13.2%.

Chapter 3 Summary

Category 1 Hazards by Number and Type

» The overall proportion of private sector dwellings with a Category 1 hazard in Allerdale is 11.6%, which equates to around 4,440 dwellings.

» 250 dwellings (0.5%) have two Category 1 hazards and around 80 dwellings (0.2%) have three or more Category 1 hazards identified.

» The most prominent Category 1 hazards are excess cold and falls on stairs (7.8% and 3.3% respectively).

» There has been a sharp decrease since 2011 in the proportion of dwellings with Category 1 hazards.

Category 1 Hazard by Location

» The incidence of Category 1 hazards in Keswick (24.3%) and North Allerdale (18.6%) is much higher than other parts of the borough.

Category 1 Hazard by Tenure

» Private rented stock has a higher rate of Category 1 hazards (21.0%) than owner occupation (9.7%).

» Excess cold is the most common reason for failure for both tenure types, followed by falls on stairs.

Category 1 Hazard and Property Age

» Pre-1919 properties are more likely to have a Category 1 hazard than more recent properties - particularly those constructed since 1990, where the rate of failure is fairly negligible (0.4%).

Category 1 Hazard and Property Type

» Around a third (33.7%) of converted flats have a Category 1 hazard. Semi-detached houses and purpose built flats have the lowest incidence of Category 1 hazards (5.5% and 6.4% respectively).

4. The Decent Homes Standard

Measuring housing condition against the standard

4.1 The Decent Homes Standard is a broad measure of housing condition which was introduced to ensure all public sector housing met a minimum standard by 2010. The percentage of vulnerable households in decent homes in the private sector has also been a focus for Government; whilst local authority targets were withdrawn following the Comprehensive Spending Review in 2007, the percentage has remained part of CLG's own Departmental Strategic Objectives (DSO2, 2.8).

4.2 Aside from governmental obligations and measures, the Decent Homes Standard has become the norm for measuring housing conditions and was analysed for this survey.

Introducing the Decent Homes Standard

4.3 To meet the Standard a dwelling must achieve all four of the following criteria:

Figure 24: Categories for dwelling decency

A	It meets the current statutory minimum standard for housing: At present, this means that it should not have a Category 1 hazard under the HHSRS
B	It is in a reasonable state of repair – has to have no old and defective major elements
C	It has reasonably modern facilities and services: Adequate bathroom, kitchen, common areas of flats and is not subject to undue noise
D	Provides a reasonable degree of thermal comfort – has effective insulation and efficient heating

4.4 A detailed definition of the criteria and their sub-categories are described in the ODPM guidance: "A Decent Home – The definition and guidance for implementation" June 2006.

4.5 If a dwelling was to fail any one of these criteria it would be considered "non-decent". The term 'non-decent' can be seen as derogative However, a non-decent dwelling need not be in a terrible state of repair or in an appalling condition; something as simple as inefficient heating and a lack of insulation can cause a dwelling in otherwise pristine condition to be classified as non-decent.

4.6 The Decent Homes Standard is a relatively low one, so failure to meet it should be regarded as a trigger for action. In some cases, however, it may not be practical to make a dwelling decent and it may also not be in the best interests of the occupiers to do so. The guidance on recording outcomes recognises that there may be instances where it is appropriate to record cases. For example, where work to achieve only partial compliance with the standard has been achieved, or where non-compliance results from the occupier refusing to have work carried out.

4.7 It is possible for a dwelling to fail the Decent Homes Standard for more than one reason: for example, there is often a strong overlap between Category 1 hazards and thermal comfort failures. As a

consequence, the number of dwellings 'failing' can total more than the number of non-decent dwellings overall.

Applying the Standard

4.8 The standard is specifically designed in order to be compatible with the kind of information collected as standard during a Housing Stock Condition Survey (HSCS). All of the variables required to calculate the standard are contained within a complete data set.

4.9 The four criteria used to determine the decent homes standard have specific parameters. The variables from the survey used for the criteria are described below:

Criterion A: Current Minimum Standards for Housing – Category 1 Hazards identified under the Housing Health and Safety Rating System (HHSRS)

4.10 Criterion A is simply determined as whether or not a dwelling fails the current minimum standard for housing. This is now the Housing Health and Safety Rating System (HHSRS) – specifically Category 1 hazards.

4.11 Chapter 3 of the report considered the HHSRS and identified 4,440 dwellings where one or more Category 1 hazards were identified. These dwellings all fail under criterion A of the Decent Homes Standard. Figure 25 shows the distribution of Category 1 hazards by tenure:

- Privately rented dwellings have a higher rate of Category 1 hazards (21.0%) compared with owner occupied dwellings (9.7%).

Figure 25: Category 1 hazards by Tenure (Source: Allerdale HSCS 2015-16)

	Owner occupied	Private rent	Overall	EHS (2014)
Total dwellings with Category 1 hazards	3,090	1,360	**4,440**	13.17%
% of total stock	9.68%	20.97%	**11.58%**	

Criterion B: Dwelling State of Repair – Disrepair to major building elements and amenities

4.12 Criterion B of the Decent Homes Standard looks at the issue of the state of general repair of a dwelling which will fail if it meets one or more of the following:

- One or more key building components are old (which are specifically defined in the criteria) and, because of their condition need replacing or major repair; or
- Two or more other building components are old and, because of their condition need replacing or major repair.

4.13 A building that has component failure before the components expected lifespan does not fail the decent homes standard. A dwelling will be considered to be in disrepair if it fails on one or more major element or two or more minor elements. Major and minor element failures are listed below:

Figure 26: Criterion B – Major Elements (1 or more)

Element	Age to be considered old (years)
Major Walls (Repair/Replace >10%)	80
Roofs (Replace 50% or more)	50 for houses; 30 for flats
Chimney (1 or more needing partial rebuild)	50
Windows (Replace 2 or more windows)	40 for houses; 30 for flats
Doors (Replace 1 or more doors)	40 for houses; 30 for flats
Gas Boiler (Major Repair)	15
Gas Fire (Major Repair)	10
Electrics (Major Repair)	30

Figure 27: Criterion B – Minor Elements (2 or more)

Element	Age to be considered old (years)
Kitchen (Major repair or replace 3+ items)	30
Bathroom (Replace 2+ items)	40
Central heating distribution (Major Repair)	40
Other heating (Major Repair)	30

4.14 Dwelling disrepair affects 2,790 private sector properties in Allerdale, which equates to 7.3% of all eligible dwellings. This compares to a national average of 4.9% for England.

4.15 Figure 28 shows the distribution of disrepair failures by tenure:

- Privately rented dwellings have a higher failure rate for disrepair (10.5%) compared to owner occupied dwellings (6.6%).

Figure 28: Disrepair by Tenure (Source: Allerdale HSCS 2015-16)

	Owner occupied	Private rent	Overall	EHS (2014)
Total dwellings in disrepair	2,110	680	**2,790**	4.89%
% of total stock	6.63%	10.47%	**7.27%**	

Criterion C: Lacking Modern Facilities – Provision of kitchens, bathrooms and other amenities

4.16 The third criterion of the Decent Homes Standard is that a dwelling should have adequate modern facilities. A dwelling fails the modern facilities test only if it lacks three or more of the following:

- A kitchen which is 20 years old or less
- A kitchen with adequate space and layout
- A bathroom that is 30 years old or less
- An appropriately located bathroom and WC
- Adequate noise insulation
- Adequate size and layout of common parts of flats

4.17 For example, if a dwelling had a kitchen and bathroom older than the specified date, it would only fail the modern facilities test if it also failed another of the identified criteria (e.g. the kitchen had a poor layout or the bathroom was not properly located).

4.18 It may be noted that the age definition for kitchens and bathrooms differs from criterion B. This is because it was determined that a decent kitchen, for example, should generally be less than 20 years old but may have the odd item older than this. The same idea applies for bathrooms.

4.19 Overall, only 210 dwellings failed the Decent Homes Standard on this criterion. As a result of the relatively small number of dwellings, it is not possible to meaningfully subdivide those failures to examine their tenure distribution or other characteristics.

Criterion D: Thermal Comfort Failures – Provision of efficient heating and effective insulation

4.20 The dwelling should provide an adequate degree of thermal comfort. Originally this definition was based on the SAP rating of a dwelling, but a number of Local Authorities criticized this approach, as it requires a fully calculated SAP for each dwelling that is being examined. Whilst this is fine for a general statistical approach, such as this study, it does cause problems at the individual dwelling level for determining an appropriate course of action.

4.21 The alternative, laid out in the current guidance, is to examine a dwelling's heating systems and insulation types. The revised definition requires a dwelling to have both:

- Efficient heating; and
- Effective insulation

4.22 Efficient heating is defined as any gas or oil programmable central heating or electric storage heaters or programmable LPG/solid fuel central heating or similarly efficient heating systems, which are developed in the future. Due to the differences in efficiency between gas/oil heating systems and other heating systems listed, the level of insulation that is appropriate also differs:

- For dwellings with gas/oil programmable heating: at least 50mm loft insulation (if there is loft space) is an effective package of insulation or cavity wall insulation (if there are cavity walls that can be insulated effectively);
- For dwellings heated by electric storage radiators/LPG/programmable solid fuel central heating a higher specification of insulation is required: at least 200mm of loft insulation (if there is a loft) and cavity wall insulation (if there are cavities that can be insulated effectively).

4.23 Any heating sources which provide less efficient options fail in terms of thermal comfort (e.g. all room heater systems are considered to fail the thermal comfort standard).

4.24 Overall, the Allerdale HSCS showed 10.5% of properties have thermal comfort failure compared to 7.9% in the EHS in 2014.

4.25 Figure 29 shows the distribution of thermal comfort failures by tenure:

- Privately rented dwellings have a slightly higher failure rate for thermal comfort inadequacies (10.15%), compared to owner occupied dwellings (12.35%).

Figure 29: Thermal Comfort by Tenure (Source: Allerdale HSCS 2015-16)

	Owner occupied	Private rent	Overall	EHS (2014)
Total dwellings with thermal comfort failures	3,240	800	**4,040**	7.85%
% of total stock	10.15%	12.35%	**10.52%**	

Prevalence of Non-decency

4.26 The Decent Homes Standard contains 4 criteria against which compliance with the Standard is based. Figure 30 gives a breakdown of any non-compliance by these criteria for Allerdale.

Figure 30: Reasons for failure of dwellings as a decent home (Source: Allerdale HSCS 2015-16, EHS 2014)

Reason	Dwellings	Per cent (of non-decent)	Per cent (of stock)	England per cent (EHS 2014)
Category 1 hazard dwellings	4,440	53.16%	11.58%	13.17%
In need of repair	2,790	33.38%	7.27%	4.89%
Lacking modern facilities	210	2.45%	0.53%	1.82%
Poor degree of thermal comfort	4,040	48.31%	10.52%	7.85%
Total failures	11,480	-	-	-
Total dwellings failing the Decent Homes Standard	**8,360**	**100.00%**	**21.79%**	**21.81%**

4.27 The Survey estimates that 8,360 dwellings in Allerdale fail the Decent Homes Standard (21.8%). Most of these dwellings fail on only one criteria of the standard, but 1,960 dwellings (5.1%) fail on two criteria and around 540 dwellings (1.4%) fail on three or more criteria. It is worth noting that most dwellings with more than one failure may only have one problem, as many dwellings with a Category 1 hazard for Excess Cold will also fail the Thermal Comfort criteria.

4.28 The proportion of dwellings that fail the Decent Homes Standard is very similar to the national rate (21.8%), with some small differences from national profile in terms of the main reasons for failure:

- Both nationally and in Allerdale, the most common reason for failure is having a Category 1 hazard (11.6% in Allerdale, 13.2% in England as a whole)
- Rates of failure against the criteria for needing repairs and poor thermal comfort are slightly higher in Allerdale (7.3% and 10.5% respectively) than they are nationally (4.9% and 7.9% respectively).
- However, the proportion of dwellings failing the standard due to lacking modern facilities is higher nationally (1.8%) than in Allerdale (0.5%).

Comparison with 2011

4.29 The HSCS carried out in 2011 estimated that just over a third of private sector dwellings (34.4%) were non-decent. The result of 21.8% seen in 2015-16 therefore represents a significant decrease, but one that is also reflected nationally (the equivalent EHS results show a decline in non-decency from 31.5% in 2009 to 21.8% in 2014).

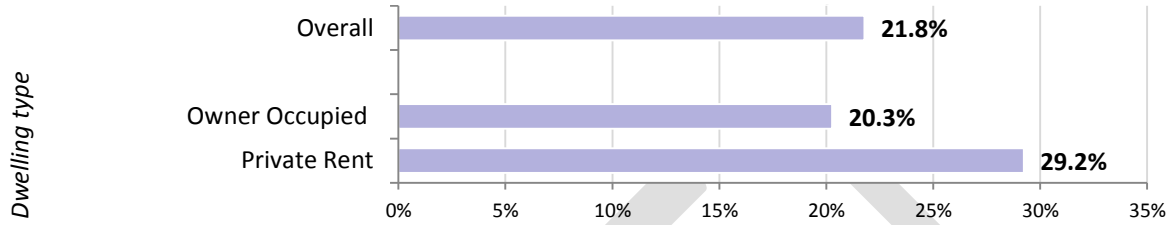
4.30 Both nationally and in Allerdale specifically, the decrease in the rate of non-decency is primarily driven by a sharp decrease in the proportion of dwellings which fail the legal minimum standard for housing (i.e. which have a Category 1 hazard).

Non-decency and Dwelling Stock Characteristics

4.31 Figure 27 shows the rates of non-decent dwellings by location, tenure, construction date and dwelling type.

4.32 Nationally, tenure analysis shows there is a clear difference between the rates of non-decency found in private rented dwellings (which is higher) and owner occupied dwellings. This can also be seen in Allerdale, where the rate of non-decency for privately rented dwellings (29.2%) is higher than for owner occupied (20.3%).

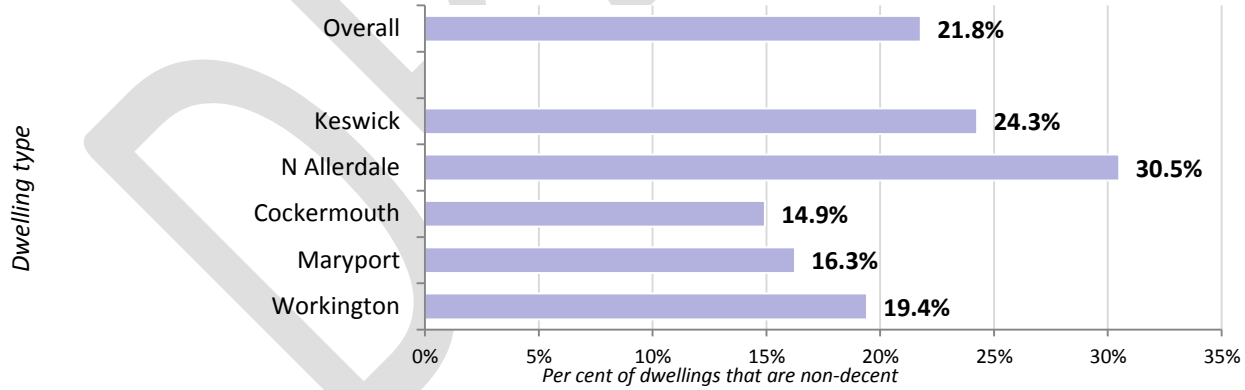
Figure 27: Non-decency by tenure (Source: Allerdale HSCS 2015-16)



4.33 In terms of how rates of non-decency vary by location within the local authority:

- The rate of non-decency is highest in North Allerdale (30.5%) and Keswick (24.3%);
- The rate of failure is slightly below the Allerdale average in Workington (19.4%), and lowest in Maryport (16.3%) and Cockermouth (14.9%).

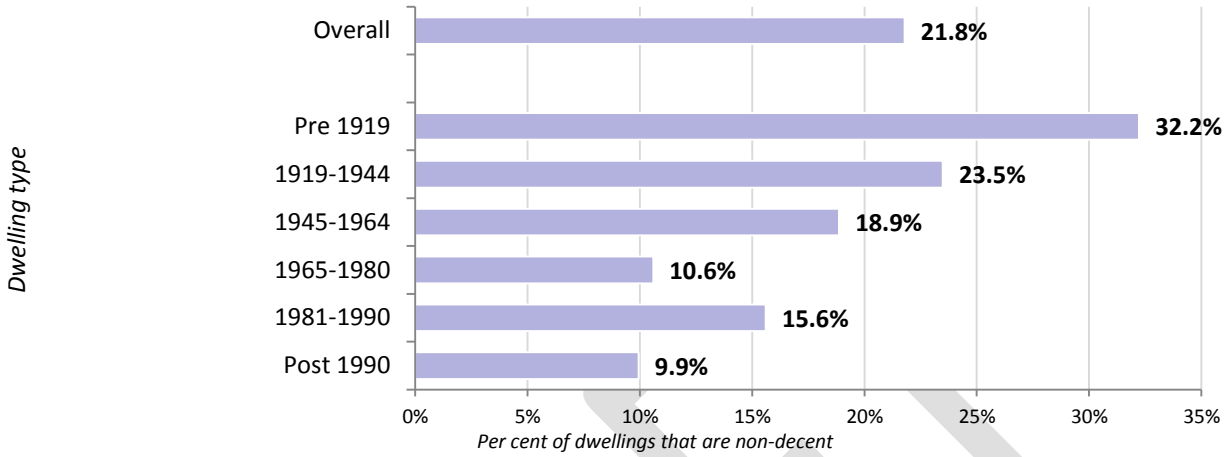
Figure 27: Non-decency by area (Source: Allerdale HSCS 2015-16)



4.34 In terms of rates of non-decency among dwellings in each construction date band:

- Older dwellings show a higher rate of non-decency than other areas (in particular, the rate of non-decency is nearly a third in dwellings built before 1919);
- The most modern stock (post-1990) displays the lowest rate of non-decency (9.9%).

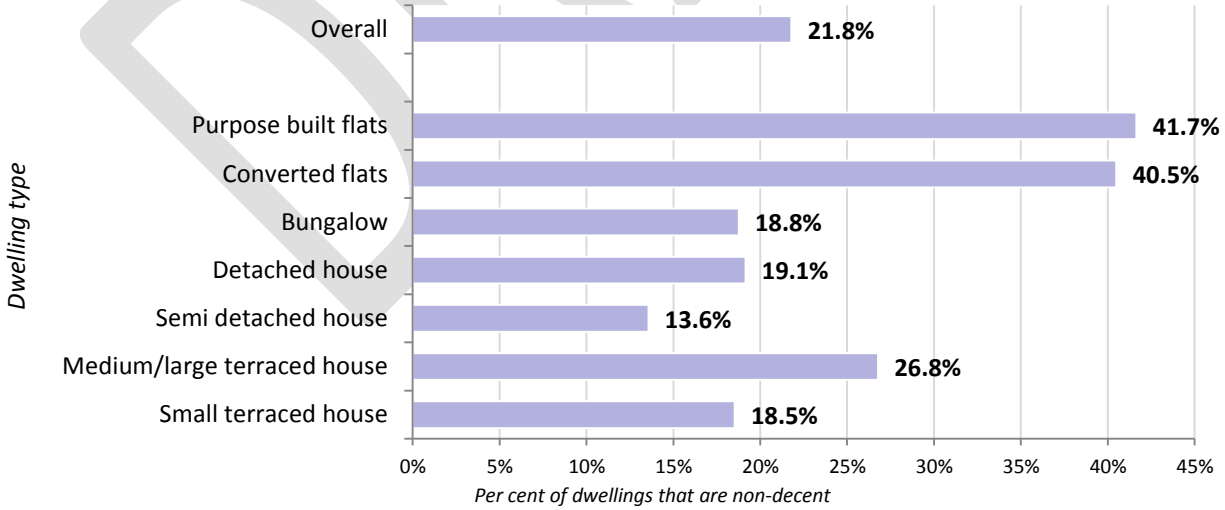
Figure 27: Non-decency by build date (Source: Allerdale HSCS 2015-16)



4.35 In terms of rates of non-decency among dwellings by type:

- The highest levels of non-decency are found in flats (40.5% of converted flats and 41.7% of purpose built flats) and medium/large terraced houses (26.8%);
- The lowest levels of non-decency are found in semi-detached houses (13.6%), with small terraced houses (18.5%), bungalows (18.8%) and detached houses (19.1%) also having rates of failure a little below the local authority average (21.8%).

Figure 27: Non-decency by dwelling characteristics (Source: Allerdale HSCS 2015-16)



Costs to remedy Decent Homes Failures

4.36 Having determined the reasons for dwellings being classified as non-decent, it is possible to indicate what level of repairs or improvements would be needed to make all dwellings decent.

4.37 The cost to remedy non-decency was determined by examining the specific failures of each non-decent dwelling and determining the work necessary to make the dwelling decent. This was done for each criterion of the standard and Figure 31 shows the cost distribution for all non-decent dwellings in the stock, with the costs being based on the assumption that only those items that cause dwellings to be non-decent are dealt with.

4.38 The total cost to remedy non-decency (across all tenures, excluding social housing) is estimated to be £35.8 million, with an average cost per dwelling of £4,250 and an average cost per failure of just over £3,100.

4.39 The owner occupied sector accounts for just under £29 million of the total costs to remedy; the private rented sector accounts for just under a further £7 million. Please note that no private rented dwellings were found to be lacking modern facilities, so no data is recorded. In practice this implies that a very small number of dwellings which were not surveyed may lack modern facilities.

Figure 31: Repair cost by non-decency reason (Source: Allerdale HSCS 2015-16)

Reason	Total Cost (£ million)	Cost per dwelling (£)
Category 1 hazard dwellings	10.4	2,340
In need of repair	13.6	4,890
Lacking modern facilities	2.1	10,030
Poor degree of thermal comfort	9.7	2,400
Total (and average per dwelling)	**35.8**	**3,120**

Figure 32: Repair cost by tenure for non-decency reason (Source: Allerdale HSCS 2015-16)

Reason	Tenure – Owned		Tenure – Private Rent		Overall	
	Total Cost (£ million)	Cost per dwelling (£)	Total Cost (£ million)	Cost per dwelling (£)	Total Cost (£ million)	Cost per dwelling (£)
Category 1 hazard dwellings	7.8	2,530	2.6	1,910	10.4	2,340
In need of repair	10.9	5,140	2.8	4,100	13.6	4,890
Lacking modern facilities	2.1	10,030	-	-	2.1	10,030
Poor degree of thermal comfort	8.2	2,520	1.5	1,900	9.7	2,400
Total (and average per dwelling)	**28.9**	**4,300**	**6.9**	**4,050**	**35.8**	**4,250**

Chapter 4 Summary – Decent Homes Standard

Decent Homes – Category 1 hazards

» Category 1 hazards affect around 4,400 private sector properties in Allerdale (11.6%).

» The incidence of Category 1 hazards is much higher in private rented dwellings (21.0%) relative to owner occupied dwellings (9.7%).

Decent Homes - Disrepair

» Dwelling disrepair affects around 2,790 properties in Allerdale which is approximately 7.3% of all private sector dwellings.

» The failure rate for disrepair is higher for privately rented dwellings (10.5%) than for owner occupied dwellings (6.6%).

Decent Homes – Lacking Modern Facilities

» Overall, only 210 dwellings failed the Decent Homes Standard on lacking modern facilities.

Decent Homes - Thermal Comfort

» 4,040 dwellings in Allerdale have a thermal comfort failure equating to around 10.5% of the dwelling stock.

» Privately rented dwellings have a slightly higher rate of failure compared with owner occupied dwellings.

Decent Homes - Overall

» The Survey estimates that around 8,360 dwellings in Allerdale fail the Decent Homes Standard and this is approximately 21.8% of all private sector dwellings in the borough. 1,960 dwellings (5.1%) fail on two criteria and around 540 dwellings (1.4%) fail on three or more criteria.

» Both nationally and in Allerdale, the most common reason for failure is having a Category 1 hazard.

» The HSCS carried out for Allerdale suggested that around 34.4% of dwellings were non-decent. There has therefore been a significant decrease in the rate of non-decency (driven by a significant fall in the incidence of Category 1 hazards) which is in line with trends from the EHS.

Decent Homes - location

» North Allerdale (30.5%) and Keswick (24.3%) have rates of non-decency which are above the overall rate for Allerdale (21.8%).

Decent Homes - tenure

» Privately rented dwellings show higher rates of non-decency (29.2%) compared with those which are owner occupied (20.3%).

Decent Homes – property age

» Broadly speaking, non-decency levels increase as the age of the property increases.

Decent Homes – property type

» The highest levels of non-decency are found in converted flats (40.5%), purpose built flats (41.7%) and medium/large terraced houses (26.8%), while the lowest levels are found in demi-detached houses (13.6%).

Decent Homes – costs to remedy

» The estimated total cost to remedy non-decency in the private housing sector is £35.8 million, with an average cost per dwelling of £4,250

5. Energy Performance

Energy ratings, CO_2 and energy costs

Energy Performance and SAP Ratings

5.1 The Standard Assessment Procedure or SAP is a government rating for energy efficiency. It is used in this report in conjunction with annual CO_2 emissions figures, calculated on fuel consumption, and the measure of that fuel consumption in kilo Watt hours (kWh), to examine energy efficiency.

5.2 The SAP rating in this report was the energy rating for a dwelling and was based on the calculated annual energy cost for space and water heating. The calculation assumes a standard occupancy pattern, derived from the measured floor area so that the size of the dwelling did not strongly affect the result. It is expressed on a 0-100 scale. The higher the number the better the energy rating for that dwelling.

Changes in the SAP Standard

5.3 The Government's SAP rating has been changed a number of times over the years and these changes can have an important effect on comparing SAP ratings. The most significant changes came in 2001 and 2005, which involved a shift to a 1 to 120 scale in 2001 and then a reversion to a 1 to 100 scale in 2005. By using a 1 to 120 scale SAP ratings were effectively 'stretched' meaning that average SAP ratings cannot be compared like-for-like between now and some earlier figures.

5.4 The software used to calculate SAP ratings for this report was RdSAP2009.

Distribution of SAP Ratings

5.5 Figure 33 shows the energy performance distribution by tenure incorporating the same banding system used since the EHCS 2007:

- Overall, the band which accounts for the highest proportion of stock is Band D (55-68) (50.1%). This is also the case nationally (52.6%).
- A slightly higher proportion of dwellings in Allerdale are in Bands A-C (69-100) (25.3%) relative to England (21.9%) (although it could also be noted that the proportion of dwellings in Bands A-B is less than 0.5% and lower than the 1% national average).
- 24.6% of dwellings are in are in the lowest Bands E (39-54), F (21-38) and G (1-20), which is slightly lower than the national result of 25.5% found in the EHS 2014 (although the proportion in the two lowest Bands F-G is slightly higher than nationally).
- If looking at differences by tenure within Allerdale, proportionally it can be seen that more privately rented dwellings lie in Bands E to G (32.9%) relative to owner occupied dwellings (22.9%).

» The average SAP rating in Allerdale is 59 (Band D), compared to an average SAP rating of 60 (Band D) nationally based on the findings of the EHS 2013-14.

Figure 33: Energy Performance SAP banded (Source: Allerdale HSCS 2015-16, EHS 2014)

EPC SAP Range Banded	Owner occupied	Private rent	Overall	EHS 2013-14
Band A (92-100)	0.11%	0.00%	0.09%	1.02%
Band B (81-91)	0.46%	0.00%	0.38%	
Band C (69-80)	26.46%	16.84%	24.83%	20.92%
Band D (55-68)	50.04%	50.26%	50.08%	52.56%
Band E (39-54)	14.81%	17.67%	15.29%	19.08%
Band F (21-38)	5.10%	9.22%	5.79%	4.96%
Band G (1-20)	3.03%	6.00%	3.53%	1.46%
Total	**100.00%**	**100.00%**	**100.00%**	**100.0%**

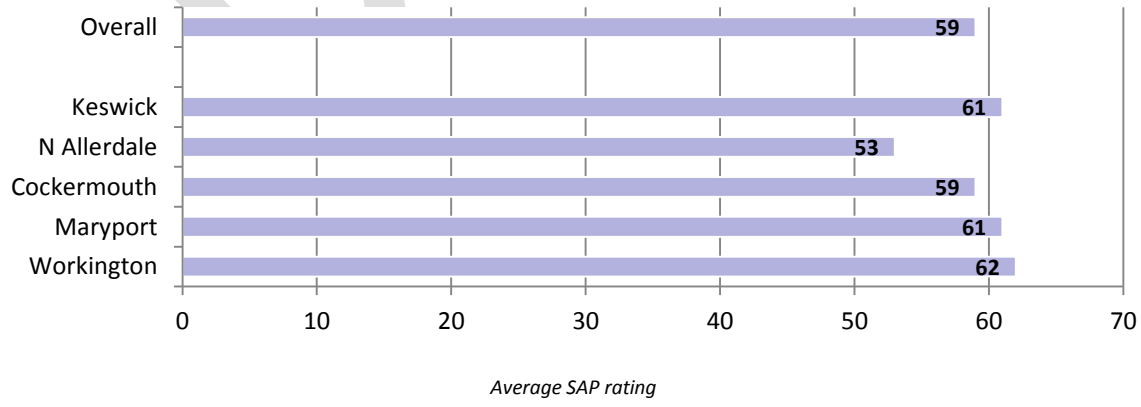
Energy Efficiency and Dwelling Characteristics

5.6 The physical characteristics of dwellings have a major effect on the energy efficiency of a dwelling. The number of exposed external walls and the construction materials and methods used, all affect the overall heat loss and therefore the energy efficiency. Different types and ages of dwellings will also have different energy characteristics.

5.7 The following figures provide a breakdown of average SAP ratings by tenure, building type and construction date.

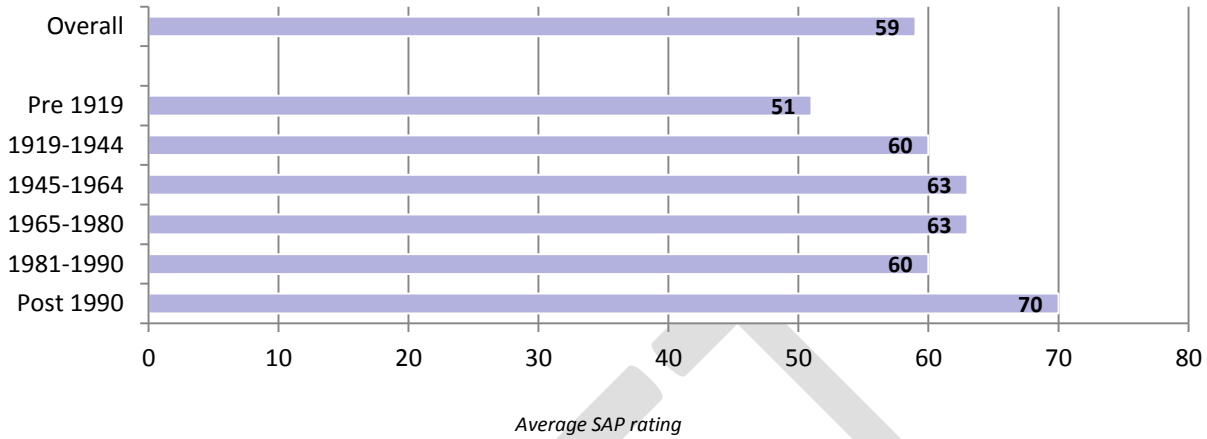
5.8 **Location:** SAP ratings range from 53 in North Allerdale (Band E), to 62 in Workington (Band D).

Figure 34: SAP by area (Source: Allerdale HSCS 2015-16)



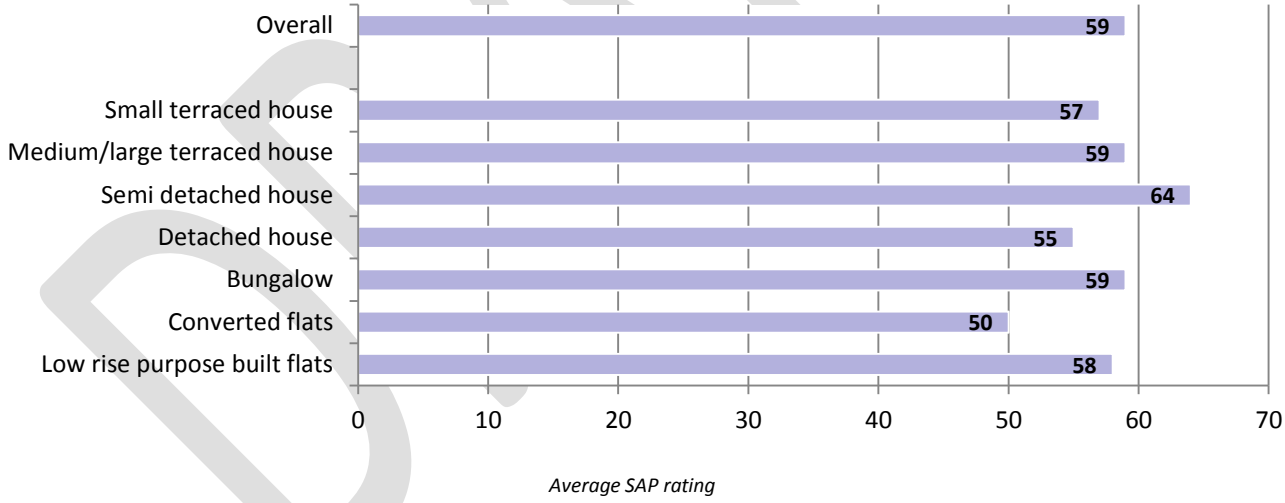
5.9 **Construction date:** dwellings in the oldest band (pre-1919) have the lowest average SAP rating (51; Band E), while the newest dwellings (post-1990) have the highest (70; Band C). Average ratings for the remaining bands are all in the range of 60-63 (Band D).

Figure 35: SAP by age of dwelling (Source: Allerdale HSCS 2015-16)



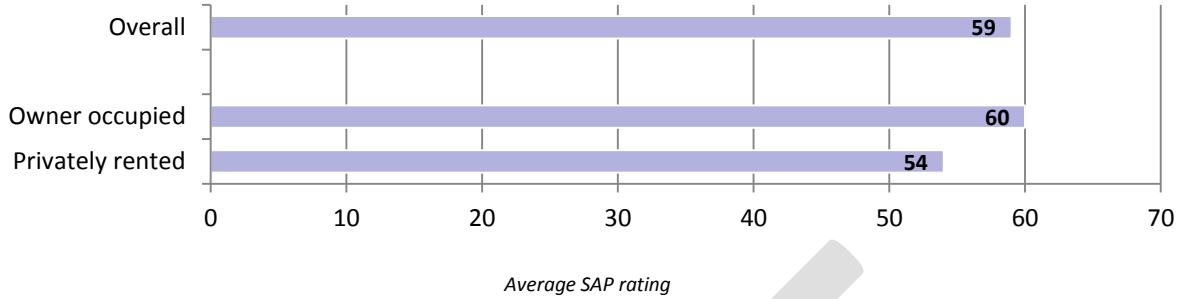
5.10 **Construction type:** converted flats have the lowest average rating (50; Band E). Semi-detached houses (64; Band D) have average SAP ratings that are slightly above the Allerdale average.

Figure 36: SAP by dwelling type (Source: Allerdale HSCS 2015-16)



5.11 **Tenure:** The average SAP rating for owner occupied dwellings (60; Band D) is slightly higher than that for privately rented dwellings (54; top of Band E).

Figure 37: SAP by tenure (Source: Allerdale HSCS 2015-16)



Carbon Dioxide Emissions

5.12 From 2015 onwards, it has been the government's aim to have insulated all the lofts and cavity walls where it is practicable to do so, although it is considered that this will not be enough to achieve the ambitions for the 2050 target of cutting emissions by 80%. Once these options have been exhausted, more substantial changes are being considered, such as small-scale energy generation and solid wall insulation, with the aim of helping up to seven million homes by 2020.

5.13 The **Energy Companies Obligation** (ECO) (the Government's new domestic energy efficiency programme which has replaced the previous CERT and CESP programmes, both of which came to a close at the end of 2012). The ECO Order, now The Energy Companies Obligation Order, came into force on 5 December 2012 and Phase 1 of ECO formally started on 1 January 2013. ECO works alongside the Green Deal to provide additional support for packages of energy efficiency measures. ECO also provides insulation and heating packages to low income and vulnerable households and insulation measures to low income communities.

5.14 ECO creates a legal obligation on energy suppliers to improve the energy efficiency of households through the establishment of three distinct targets:

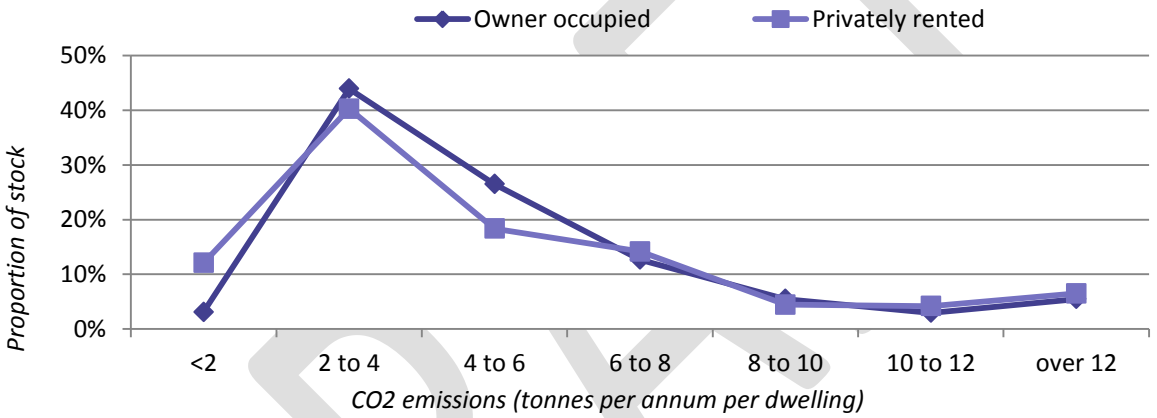
- **Carbon Emissions Reduction Obligation** (20.9 million lifetime tonnes of carbon dioxide). Focusing on hard to treat homes and, in particular, measures that cannot be fully funded through the Green Deal. Solid wall insulation and hard-to-treat cavity wall insulation are the primary measures that the Government intends to be promoted under this target. Other insulation measures and connections to district heating systems are also eligible if they are promoted as part of a package that includes solid wall insulation or hard-to-treat cavity wall insulation.
- **Carbon Saving Community Obligation** (6.8 million lifetime tonnes of carbon dioxide). Focusing on the provision of insulation measures and connections to district heating systems to domestic energy users that live within an area of low income. This target has a sub-target, which states that at least 15% of each supplier's Carbon Saving Community Obligation must be achieved by promoting measures to low income and vulnerable households living in rural areas.

» **Home Heating Cost Reduction Obligation** (£4.2bn of lifetime cost savings). Requiring energy suppliers to provide measures which improve the ability of low income and vulnerable households (the 'Affordable Warmth Group') to affordably heat their homes. A heating qualifying action is the installation of a measure that will result in a heating saving; including the replacement or repair of a qualifying boiler.

5.15 Figure 38 compares CO_2 emissions in owner occupied and privately rented dwellings in Allerdale. 12.1% of privately rented dwellings emit less than two tonnes per annum compared with only 3.1% of owner occupied dwellings. However, owner occupied dwellings are more likely to have emission levels between two and six tonnes per annum (70.4%, compared to 58.7% of private rent).

5.16 For emissions above 6 tonnes per annum the differences between private rent and owner occupation are less stark, although proportionally there are slightly more privately rented dwellings in this category (29.3% compared to 26.5% owner occupied).

Figure 38: Annual dwelling CO_2 emissions (Source: Allerdale HSCS 2015-16)



Fuel Source in Allerdale

5.17 The majority of households use mains gas as the primary heating fuel; as such the CO_2 emissions figures for nearly all other fuels sources (with the exception of electricity) are subject to high error margins due to very small surveys of these fuel types.

Figure 39: Main fuel CO_2 emissions (Source: Allerdale HSCS 2015-16)

Main Fuel	CO_2 (tonnes)	Dwellings	Average CO_2 per dwelling (kg per annum)
Mains Gas	125,500	29,510	4,300
Oil	41,200	4,730	8,700
Solid Fuel (coal etc.)	10,900	1,310	8,300
Electricity	25,600	2,820	9,100
Total	**203,200**	**38,370**	**5,300**

Energy Efficiency Improvement

5.18 Figure 40 shows the heating type found in Allerdale by dwelling type:

- 93.3% of dwellings have a central heating system.
- Purpose built and converted flats have lower levels of central heating compared with other dwelling types; larger proportions of these rely on storage heating.
- Houses and bungalows all show relatively high rates using central heating. These dwellings have a strong association with the owner-occupied sector and higher use of mains gas.

Figure 40: Heating type by dwelling type (Source: Allerdale HSCS 2015-16)

	Central heating	Warm air systems	Room heaters	Storage heating	Communal heating
Small terraced house	89.7%	0.0%	10.3%	0.0%	0.0%
Medium/Large terraced house	94.4%	0.0%	2.1%	3.6%	0.0%
Semi-detached house	96.7%	1.1%	1.8%	0.5%	0.0%
Detached house	91.9%	2.3%	1.7%	3.1%	1.0%
Bungalow	96.4%	0.5%	0.6%	2.5%	0.0%
Converted flat	78.2%	0.0%	3.5%	18.3%	0.0%
Low rise purpose built flat	75.4%	0.0%	1.2%	21.0%	2.4%
Owner occupied	93.9%	0.9%	2.0%	3.2%	0.0%
Private rented	90.6%	0.0%	1.4%	6.2%	1.8%
All dwellings	**93.3%**	**0.8%**	**1.9%**	**3.7%**	**0.3%**

5.19 The level of loft insulation provision is also an important factor in energy efficiency (Figure 41)

- 38.6% of dwellings have loft insulation that is either close to or above the recommended depth (i.e. 250 mm or above – the recommended depth is 270mm)
- Nearly half of the stock (46.4%) has a loft with 100mm to 200mm of insulation (compared to the recommended 270mm), while 3.4% has less than this and 3.1% has no insulation whatsoever
- The remaining 8.5% of dwellings have no loft (and these are converted and low rise purpose built flats).

5.20 Therefore, there remains scope to further improve dwelling energy efficiency and reduce heat loss, energy consumption and CO_2 emissions through loft insulation.

5.21 Furthermore, the provision of different heating systems and insulation within the dwelling stock also provides scope for other additional insulation, improved heating, draught proofing etc.

Figure 41: Loft insulation by dwelling type (Source: Allerdale HSCS 2015-16. Note: as this is a dwelling based survey, any flat not directly under a pitched roof counts as having no loft)

Dwelling Type	None	Less than 100mm	100mm	150mm	200mm	250mm	300mm	*No loft
Small terraced house	10.2%	7.4%	17.2%	8.9%	40.0%	4.8%	11.5%	0.0%
Medium/Large terraced house	5.7%	6.5%	15.2%	6.0%	30.2%	11.8%	24.5%	0.0%
Semi-detached house	0.3%	2.2%	17.7%	7.2%	25.7%	14.0%	32.9%	0.0%
Detached house	4.2%	1.8%	8.0%	9.0%	26.6%	27.4%	23.0%	0.0%
Bungalow	1.8%	3.1%	13.4%	7.7%	33.3%	23.6%	17.1%	0.0%
Converted flat	0.0%	1.0%	0.9%	0.0%	2.9%	0.0%	8.3%	86.9%
Low rise purpose built flat	4.0%	0.0%	12.4%	4.3%	22.0%	6.2%	15.9%	35.2%
Owner occupied	2.7%	3.2%	13.2%	6.7%	26.3%	17.0%	24.3%	6.6%
Private rented	5.4%	4.6%	11.6%	6.3%	29.7%	9.7%	13.7%	18.9%
All dwellings	**3.1%**	**3.4%**	**12.9%**	**6.6%**	**26.9%**	**15.9%**	**22.7%**	**8.5%**

Renewable Energy

5.22 Renewable energy from natural resources offers considerable potential to improve energy efficiency by helping dwellings use less energy and produce less carbon dioxide. Recent technological innovation has enhanced energy deliverables to be derived from this source.

5.23 Surveys identified, or confirmed with householders, the proportion of lights in the dwelling that use low energy light-bulbs. They were also asked to establish whether the dwelling currently uses solar water heating or photo voltaic (or PV) panels (to generate electricity).

5.24 The results, divided by tenure, are illustrated in Figure 42:

- PV Panels: 1,900 dwellings are estimated as having PV panels, the majority in owner occupied homes.
- Solar water heating: 700 properties are estimated as having this form of water heating, overwhelmingly in owner occupied dwellings.
- Low energy light-bulbs: these are an established energy efficiency measure and the estimates indicate that there has been a substantial take up already. Given the removal from sale of all conventional light bulbs in 2011, these figures will inevitably increase further, and within five years it is likely that virtually all light-bulbs will be low energy.

Figure 42: Low energy light-bulbs and solar water heating (Source: Allerdale HSCS 2015-16)

Energy efficiency measures	Owner occupied		Privately rented	
Low energy bulbs				
No low energy bulbs	2,000	6.2%	800	11.9%
Up to 50% low energy bulbs	5,500	17.3%	900	14.7%
More than 50% low energy bulbs	17,300	54.4%	3,300	51.7%
100% low energy bulbs	7,100	22.1%	1,400	21.7%
Solar water heating				
Solar water heating	700	2.0%	0	0.3%
Photoelectrics				
Photoelectrics	1,700	5.3%	200	3.2%

Fuel Costs

5.25 The survey showed that just over two fifths of households (42.5%) spend between £600 and £900 per year on fuel costs, with around another fifth (19.5%) spending between £900 and £1,200 per annum. Around a quarter (24.5%) spend more than £1,200 per annum; 13.4% spend under £600 per annum.

5.26 Figure 43 shows that costs are typically higher for households living in older properties – more than two fifths (43.5%) of pre-1919 dwellings spend more than £1,200 per annum (and more than a quarter – 28.0% - spend over £1,500 per annum).

Figure 43: Annual fuel costs by dwelling age (Source: Allerdale HSCS 2015-16)

Dwelling Age	Under £600 per annum	Between £600 and £900 per annum	Between £900 and £1,200 per annum	Between £1,200 and £1,500 per annum	Over £1,500 per annum
Pre 1919	4.49%	30.75%	21.22%	15.56%	27.98%
1920-1944	17.24%	41.59%	27.37%	7.71%	6.09%
1945-1964	14.10%	53.87%	23.77%	3.54%	4.73%
1965-1980	14.87%	56.52%	14.81%	8.45%	5.36%
1981-1990	20.66%	40.83%	18.34%	9.24%	10.93%
Post 1990	33.04%	49.47%	11.42%	4.87%	1.21%
All dwellings	**13.43%**	**42.54%**	**19.51%**	**10.15%**	**14.37%**

5.27 Figure 44 shows that fuel costs typically vary in line with the size of the dwelling, with (broadly speaking) larger dwellings having higher costs. For example, more than a third of detached houses (34.7%) have costs of over £1,500 per annum.

5.28 However, it is worth noting that around 2 in 10 households in converted flats (18.3%) or purpose built flats (17.0%) require spending of over £1,500 per annum on fuel costs. Moreover, the proportion of owner occupied dwellings associated with this level of fuel costs (13.6%) is slightly lower than the proportion of privately rented dwellings (18.0%) (although this is also true if looking at the lowest fuel costs i.e. £600 per annum).

Figure 44: Annual fuel costs by dwelling type, loft insulation and tenure (Source: Allerdale HSCS 2015-16)

Dwelling Characteristic	Under £600 per annum	Between £600 and £900 per annum	Between £900 and £1,200 per annum	Between £1,200 and £1,500 per annum	Over £1,500 per annum
Small terraced house	36.61%	51.44%	6.67%	5.27%	0.00%
Medium/Large terraced house	11.37%	41.35%	23.35%	10.97%	12.97%
Semi-detached house	13.18%	56.07%	19.23%	6.52%	5.00%
Detached house	4.85%	26.34%	18.01%	16.14%	34.66%
Bungalow	13.73%	46.91%	21.66%	8.61%	9.09%
Converted flat	20.90%	45.51%	7.65%	7.65%	18.29%
Low rise purpose built flat	38.79%	27.75%	8.58%	7.87%	17.01%
Under 50 sq metres	48.96%	32.29%	5.54%	4.60%	8.61%
Between 50 and under 70 sq metres	38.00%	43.28%	10.18%	5.15%	3.39%
Between 70 and under 90 sq metres	26.14%	58.55%	9.18%	2.82%	3.31%
Between 90 and under 110 sq metres	9.55%	60.03%	22.33%	5.56%	2.53%
From 110 sq metres and over	1.81%	23.33%	26.30%	18.37%	30.20%
Owner occupied	12.53%	43.19%	20.81%	9.83%	13.63%
Privately rented	17.84%	39.31%	13.07%	11.74%	18.03%
All dwellings	**13.43%**	**42.54%**	**19.51%**	**10.15%**	**14.37%**

5.29 Figure 45 demonstrates that those properties identified with an excess cold hazard under the HHSRS typically have higher fuel costs:

- More than three quarters (75.6%) of those with a Category 1 hazard for excess cold pay more than £1,500 per annum for their fuel (and 90.1% pay more than £1,200 per annum)
- 44.65% of those with a Category 2 hazard pay more than £1,500 per annum for their fuel.
- Only 4.0% of those with no excess cold hazards pay more than £1,500 annually.

5.30 Similarly, nearly half of dwellings with inadequate thermal comfort require costs of more than £1,500 per annum (compared to only 10.7% of dwellings with adequate thermal comfort).

Figure 45: Annual fuel costs by excess cold, thermal comfort and Decent Homes (Source: Allerdale HSCS 2015-16)

Dwelling Characteristic	Under £600 per annum	Between £600 and £900 per annum	Between £900 and £1,200 per annum	Between £1,200 and £1,500 per annum	Over £1,500 per annum
Excess cold (HHSRS hazard)					
Category 1 hazard	0.00%	1.48%	8.40%	14.61%	75.51%
Category 2 hazard	0.00%	6.59%	21.08%	27.68%	44.65%
None	16.69%	51.77%	20.35%	7.16%	4.03%
Thermal Comfort					
Adequate thermal comfort	14.86%	45.69%	18.95%	9.84%	10.66%
Inadequate thermal comfort	1.22%	15.76%	24.28%	12.78%	45.96%
Decent Homes Standard					
Decent Dwelling	15.82%	47.49%	19.39%	8.93%	8.37%
Non Decent Dwelling	4.84%	24.77%	19.93%	14.52%	35.94%
All dwellings	**13.43%**	**42.54%**	**19.51%**	**10.15%**	**14.37%**

Tackling Fuel Poverty

5.31 A key issue in reducing energy consumption is tackling fuel poverty. Not only do dwellings where fuel poverty exists represent dwellings with poor energy efficiency, they are, by definition, occupied by residents with low incomes least likely to be able to afford improvements.

5.32 The Low Income High Costs (LIHC) definition of fuel poverty was adopted by the government in 2013. Under the LIHC definition, a household is considered to be fuel poor if:

- Its required fuel costs are above the median level;
- Spending this amount on fuel costs would leave the household with a residual income below the official poverty line.

5.33 For each individual dwelling surveyed the energy efficiency software not only calculates the SAP rating and CO_2 emissions for a dwelling, but also the cost of heating that dwelling per annum. This cost is based on the standard model of heating the dwelling to 21 degrees Celsius in the main living rooms and 18 degrees Celsius in bedrooms and other rooms, over the course of a year. In addition, for each individual dwelling, household income is recorded along with other information about the dwelling and its occupants. It is therefore possible, for each individual dwelling surveyed, to determine whether the household living there is in fuel poverty.

5.34 Using the LIHC definition and excluding social housing stock, overall the results show that 10.2% of households are in fuel poverty in Allerdale. This will present issues in terms of both energy efficiency and occupier health.

5.35 The results show that the vast majority of fuel poverty cases in Allerdale are households with an income below £10,000 per annum, with many having a head of household aged 75 or above. In short, fuel poverty tends to be an issue for the poorest and oldest households.

5.36 It is also likely that, in some cases, energy efficiency improvements alone would be insufficient to remove the household from fuel poverty. This is due to a phenomenon known as 'perpetual fuel poverty' where the household's income is simply not high enough enable it to adequately heat the dwelling under any circumstances.

Chapter 5 Summary - Energy Performance

SAP rating

» Around half of private sector dwellings (50.1%) are in SAP Band D (55-68). The average SAP rating is 59, compared with 60 nationally. The mean result in the 2011 HSCS was 49.

» Around a quarter (25.3%) of private sector dwellings in Allerdale fall in bands A-C. 9.3% are in lowest bands, F and G.

» On average, the SAP rating for owner occupied dwellings (60) is a little better than for privately rented dwellings (54).

» The average rating in North Allerdale (53) is lower than in other parts of the borough (all 59 or above), and the average rating for dwellings pre-dating 1919 (51) is also lower than the overall result for Allerdale.

Fuel type

» Around 29,500 dwellings use mains gas as their primary fuel type, which equates to approximately 77% of all dwellings.

Heating Type

» 93% of dwellings have a central heating system. Houses and bungalows all show relatively high rates using central heating. These dwellings have a strong association with the owner-occupied sector and higher use of mains gas.

Loft Insulation

» While only a tiny proportion of dwellings (3.1%) have uninsulated lofts, only just over a third have at least 250mm of insulation (the recommended depth is 270mm).

PV Panels

» 1,900 properties are estimated as having PV panels, with the majority being in owner occupied homes. 700 properties are estimated as having solar water heating.

Heating Costs

» Just over half of households spend between £600 and £900 per year on fuel costs, and costs are typically higher for households living in older and larger properties.

Fuel Poverty

- According to the 'Low Income, High Costs' definition, the occupiers of a dwelling are considered to be in fuel poverty if their required fuel costs are above the median level, and spending this amount would leave them with a residual income below the poverty line.
- Based on this definition, 10.2% of occupied dwellings in Allerdale contain a household which is in fuel poverty.

6. The Private Rented Sector

Policy background and survey findings

6.1 This chapter describes changes in the private rented sector (PRS) in recent years, both nationally and in relation to Allerdale. It also contains a summary of findings from the stock condition survey relating to the private rented dwellings in Allerdale.

Background

6.2 The English Housing Survey 2013-14[3] identified that 19% of households (4.4 million) were renting from a private landlord, up from 18% in 2012-13 and 11% in 2003. Households aged 25-34 were more likely to be renting privately (48%) than buying a home, up from 45% in 2012-13 and 21% in 2003-04. Owner occupation in this age group dropped from 59% to 36% over the same 10 year period.

6.3 The growth of the Sector has been acknowledged as both a growing and long term option for meeting the nation's housing need. The Government published "*Improving the Private Rented Sector and Tackling Bad Practice: A guide for local authorities"* in March 2015[4], and the Foreword by the Minister stated:

> *"The private rented sector is an important and growing part of our housing market, housing 4.4 million households in England. The quality of housing in the sector has improved dramatically over the last decade. It is now the second largest tenure and this growth is forecast to continue growing. I am proud of this growth as it shows increasing choice, improving standards whilst helping to keep rents affordable. The Government supports a bigger and better private rented sector and wants to see this growth continue."*

6.4 Importantly, the Government sees the PRS having an important and long term role in meeting the housing need of the nation; and although the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) do not mention the current or future role of housing benefit, the policy to support low-income households in the private rented sector with housing benefit is long-standing and is explicitly factored into the long-term forecasts for public spending. Nevertheless, policy is focussed on improving Management and Maintenance in the sector (via licensing or self-regulation schemes) and expanding supply[5] (including the Build to Rent investment scheme[6]).

6.5 Given this context, it is important for local authorities to recognise the role of the private rented sector at a local level. Assuming the release back into the market of many dwellings in the private rented sector currently occupied by tenants in receipt of housing benefit would have significant consequences; therefore it remains appropriate to recognise that the private rented sector will continue to make an important contribution towards providing housing options for households unable to afford their

[3] https://www.gov.uk/government/statistics/english-housing-survey-2013-to-2014-headline-report
[4] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/412921/Improving_private_rented_sector.pdf
[5] https://www.gov.uk/government/publications/private-rented-homes-review-of-the-barriers-to-institutional-investment
[6] https://www.gov.uk/government/publications/build-to-rent-round-2-initial-due-diligence

housing costs in future. Nevertheless, it is essential for local authorities to understand the full extent of the need for affordable housing in their areas and consider their policy responses accordingly.

Households in the private rented sector

6.6 Nearly 2,200 households in Allerdale in the private rented sector are currently in receipt of local housing allowance. This equates to 45% of all households in the private rented sector.

6.7 Many of these households will not be receiving the full local housing allowance and instead will be meeting part of their rent through their own income. However, the result does indicate that the ability of the private rented sector at its current size to absorb any more housing need in Allerdale will be severely limited. This is because those seeking properties with local housing allowance will also be competing against households who can afford market rents but are unable to afford to become owner occupiers.

The current private rented sector and the role of housing benefit

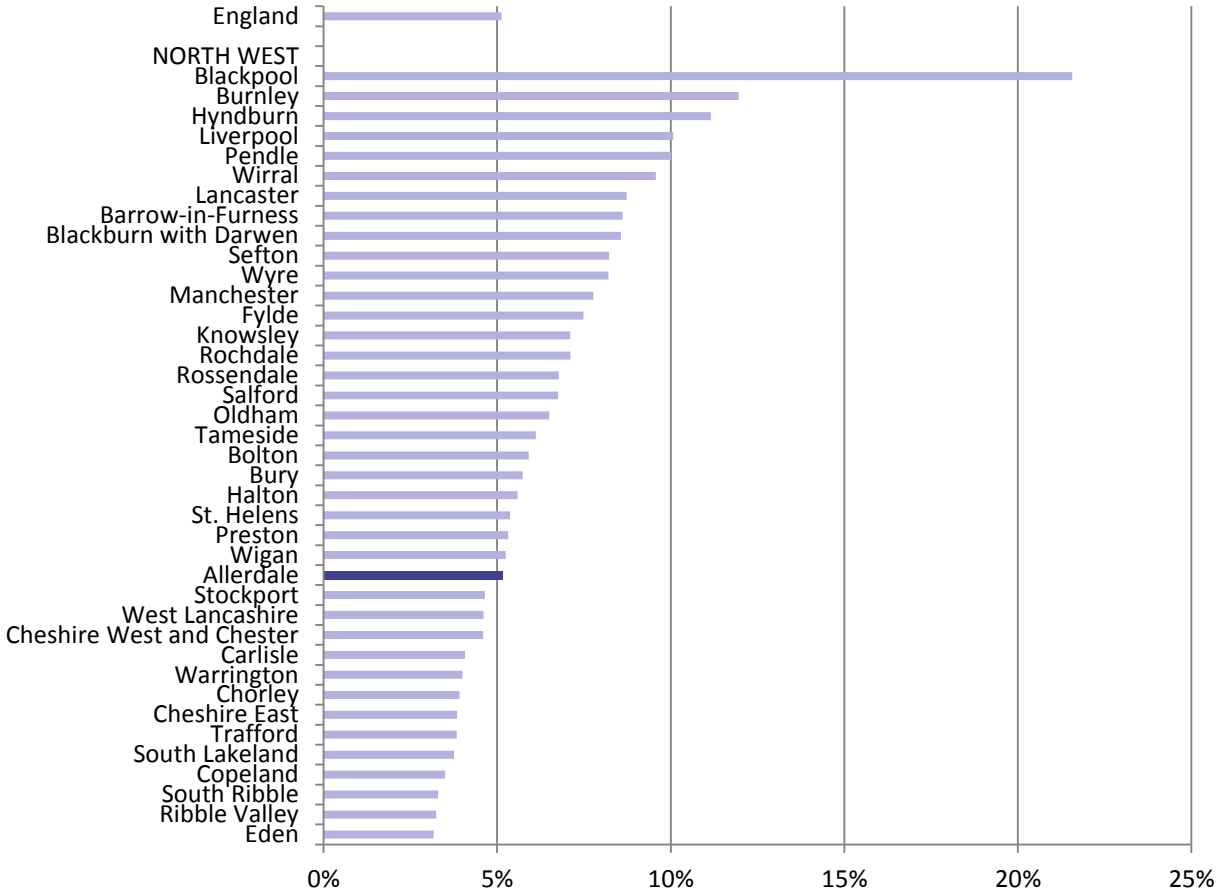
6.8 Many households in both the social and private rented sectors are able to claim support with rent costs in the form of housing benefit. The Department of Work and Pensions (DWP) publish quarterly statistics for housing benefit recipients.

6.9 In recent years housing benefit support in the private rented sector has increased as a tool used to help meet housing need. In January 2016, nearly 2,200 households in Allerdale received housing benefit support to live in the private rented sector.

6.10 Figure 46 shows that 5% of households in Allerdale claim housing benefit while living in the private rented sector, and that this figure is not exceptionally high for the North West of England where the average figure is 6.7%, but is higher than 4 of the 5 other Cumbrian authorities with only Barrow in Furness having a higher figure. The figure is obtained by dividing the number of housing benefit claims in the private rented sector by the total dwelling stock of the area. This may overstate the number of dwellings occupied because some dwellings will have more than one claimant household within them.

6.11 While many households choose to live in private rented accommodation with housing benefit support, other households would prefer a social tenancy but are unable to obtain one due to ineligibility on Cumbria Choice (the choice based lettings scheme to allocate social housing in Cumbria). There is also a shortage of social housing in some of the more rural and desirable areas of Allerdale. Many households receiving housing benefit in the private rented sector cannot afford more than social housing rents.

Figure 46: Housing Benefit in Private Rented Sector as a Share of Total Dwellings by North West Local Authority (Source: CLG Live Table 100 March 2011; DWP)



Overcrowding

6.12 The English Housing Survey (EHS) does not provide information about individual local authorities, but it does provide a useful context about these indicators in terms of national trends between Census years.

6.13 The measure of overcrowding used by the EHS provides a consistent measure over time however the definition differs from both occupancy ratings provided by the Census. The EHS approach[7] is based on a *"bedroom standard"* which assumes that adolescents aged 10-20 of the same sex will share a bedroom, and only those aged 21 or over are assumed to require a separate bedroom (whereas the approach used by the ONS for the Census assumes a separate room for those aged 16 or over):

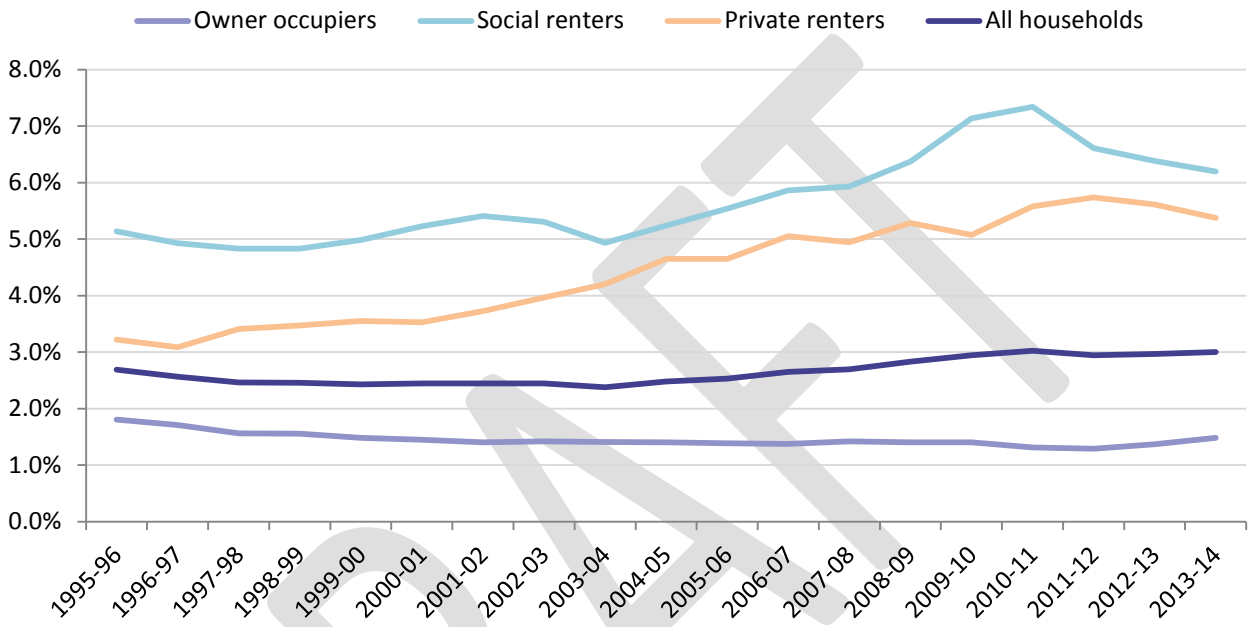
> *"The 'bedroom standard' is used as an indicator of occupation density. A standard number of bedrooms is calculated for each household in accordance with its age/sex/marital status composition and the relationship of the members to one another. A separate bedroom is allowed for each married or cohabiting couple, any other person aged 21 or over, each pair of adolescents aged 10-20 of the same sex, and each pair of children under 10. Any unpaired person aged 10-20 is notionally paired, if possible, with a child under 10 of the same sex, or, if that is not possible, he or she is counted as requiring a separate bedroom, as is any unpaired child under 10.*

[7] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/284648/English_Housing_Survey_Headline_Report_2012-13.pdf

"Households are said to be overcrowded if they have fewer bedrooms available than the notional number needed. Households are said to be under-occupying if they have two or more bedrooms more than the notional needed."

6.14 Nationally, overcrowding rates have increased for households in both social and private rented housing since 1995, although the proportion of overcrowded households has declined in both sectors since 2011. Overcrowding rates for owner occupiers have remained relatively stable since 1995.

Figure 47: Trend in overcrowding rates for England by tenure (Note: Based on three-year moving average, up to and including the labelled date. Source: Survey of English Housing 1995-96 to 2007-08; English Housing Survey 2008-09 onwards)



6.15 Whilst the EHS definition of overcrowding is more stringent than the Census, the measurement more closely reflects the definition of statutory overcrowding that was set out by Part X of the Housing Act 1985 and is consistent with statutory Guidance that was issued by CLG in 2012 to which authorities must have regard when exercising their functions under Part 6 of the 1996 Housing Act (as amended).

6.16 This Guidance, *"Allocation of accommodation: Guidance for local housing authorities in England"*, recommends that authorities should use the bedroom standard when assessing whether or not households are overcrowded for the purposes of assessing housing need:

"4.8 The Secretary of State takes the view that the bedroom standard is an appropriate measure of overcrowding for allocation purposes, and recommends that all housing authorities should adopt this as a minimum. The bedroom standard allocates a separate bedroom to each:

– married or cohabiting couple
– adult aged 21 years or more
– pair of adolescents aged 10-20 years of the same sex
– pair of children aged under 10 years regardless of sex"

6.17 The Census also provides detailed information about occupancy which provides a measure of whether a household's accommodation is **overcrowded or under occupied**:

6.18 "There are two measures of occupancy rating, one based on the number of rooms in a household's accommodation, and one based on the number of bedrooms. The ages of the household members and their relationships to each other are used to derive the number of rooms/bedrooms they require, based on a standard formula. The number of rooms/bedrooms required is subtracted from the number of rooms/bedrooms in the household's accommodation to obtain the occupancy rating. An occupancy rating of -1 implies that a household has one fewer room/bedroom than required, whereas +1 implies that they have one more room/bedroom than the standard requirement."

6.19 Overcrowding across all household types has fallen across all tenures between Census 2001 and 2011. We would note that both the 2001 and 2011 Census contain a measure of overcrowding reflected by room occupancy. However, we also note that a feature of the ONS calculation of overcrowding by room occupancy is that households classed as living in overcrowded housing include all individuals (and any other households) living in studio flats, and all couples (and any larger households) living in a one-bedroom flat with a combined lounge-kitchen-diner. The room occupancy measure has the benefit of allowing a consistent comparison between the 2001 and 2011 Census, but ORS' preference is to use the bedroom occupancy measure introduced in the 2011 Census (see below).

6.20 For Allerdale, overcrowding has increased by 57 households in the private rented sector over the 10-year period, but this represents a fall in the percentage overcrowded due to the growth in the sector.

(Note: Overcrowded households are considered to have an occupancy rating of -1 or less. Source: UK Census of Population 2001 and 2011)

	Occupancy rating (rooms)						Occupancy rating (bedrooms) 2011	
	2001		2011		Net change 2001-11			
	N	%	N	%	N	%	N	%
Allerdale								
Owned	475	1.7%	427	1.5%	-48	-0.2%	342	1.2%
Private rented	276	7.1%	333	6.9%	+57	--0.2%	136	2.8%
Social rented	509	6.2%	483	6.0%	-26	-0.2%	239	3.0%
All Households	**1,260**	**3.2%**	**1,243**	**2.9%**	**-17**	**-0.3%**	**717**	**1.7%**
ENGLAND	**-**	**7.1%**	**-**	**8.7%**	**-**	**+23%**	**-**	**4.6%**

Chapter 6 Summary - Private rented sector

The summary below brings together some of the main findings from elsewhere in this report that concern the private rented sector.

Profile

» Around two thirds of privately rented dwellings in Allerdale were built before 1919.

» A third of privately rented dwellings (33%) are medium to large terraced houses, and around a quarter are flats.

» 48% of privately renting households have been at their address for less than 2 years, and 77% have been at their address for less than 5 years.

Overcrowding

» Overcrowding has increased by 57 households in the private sector over a 10 year period from 2001 to 2011. However, due to the increase in the size of the sector, the proportion overcrowded has actually decreased slightly.

Decent Homes Standard (including Category 1 hazards) and remedial costs

» 21% of privately rented dwellings in Allerdale have a Category 1 hazard, with Excess Cold (14.0%) and Falls on Stairs (7.0%) being the most common types of hazard.

» 29% of privately rented dwellings fail the Decent Homes Standard. The most common reason for failure is having a Category 1 hazard, while 12.4% of dwellings fail on thermal comfort and 10.5% are in disrepair.

» Total remedial costs for privately rented dwellings are estimated at around £6.9 million, equating to approximately £4,050 per dwelling.

Energy performance

» Privately rented dwellings in Allerdale have an average SAP rating of 54 (on the threshold between Bands D and E), compared to a slightly higher average rating of 60 for owner occupied dwellings.

» 90.6% of privately rented dwellings have a central heating system, compared with 93.3% of owner occupied dwellings.

» Although small in overall terms, the proportion of privately rented dwellings which rely on storage heating (6.2%) is higher than in the owner occupied sector (3.7%), and this is due to the higher incidence of storage heating in purpose built and converted flats.

7. Conclusions

Summary of findings and policy implications

Introduction

7.1 This chapter draws together the key findings of the private sector housing stock condition survey. It sets out these findings in the context of the national position and highlights areas of substantial difference. It then seeks to identify the policy implications of these findings in the context of current legislation, obligations on the Local Authority and good practice. The key pieces of legislation driving private sector housing policy are:

- Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (RRO)
- Part 2 of the Housing Act 2004
- Part 1 Section 3 of the Housing Act 2004
- Part 4 of the Housing Act 2004
- The Housing and Planning Act 2016

Summary of Findings

7.2 The following draws together the summary of findings at the end of each chapter of the survey report and gives a comprehensive overview of private sector dwellings in Allerdale.

Summary

Chapter 2 General Housing Characteristics

Vacant dwellings

- There are approximately 2,280 vacant dwellings in Allerdale, which is around 5.9% of the total dwelling stock. 1,210 of these (3.1%) are long-term vacant

Tenure

- The HSCS data shows that, of the dwellings in the private sector, 84% are owner occupied and 16% are privately rented. This split is broadly consistent with household data from Census, and also shows that levels of owner occupation are higher in Allerdale compared to England as a whole.

Houses in Multiple Occupation

- In the private sector in Allerdale, there are around 230 section 257 HMOs and a further 250 other HMOs.

Property Age

» Two fifths of dwellings were constructed before 1919, and this proportion is much higher than that seen nationally. Looking at the post-War period, the age distribution of dwellings is broadly similar to that for England as a whole, although the proportion of dwellings built since 1990 is a little below the national average.

» The age profile for privately rented dwellings is generally older than that for owner occupation.

Property Type

» Compared to England as a whole, Allerdale has more medium/large terraced houses and bungalows, and fewer small terraced houses and purpose built flats.

Property Size

» Allerdale has a higher proportion of large dwellings compared to England as a whole. Owner occupied dwellings are likely to have more living space than privately rented dwellings and this is consistent with the tenure breakdown of dwelling type (with detached/semi-detached dwellings and bungalows being more prevalent in the owner occupied sector).

Property Construction

» 53% of dwellings in Allerdale have cavity walls, while 43% have solid walls (the remaining 5% is a mixture of purpose built flats and other build types).

» While solid walled dwellings are more prevalent in the private rented sector (reflecting the strong association in Allerdale between this tenure and older properties), there is a mixture of build types in both the main tenure groups.

Tenure Length

» While 66% of owner occupiers have lived in their home for ten years or more, only 13% of private renters have lived in their home for this period of time.

» Overall, the proportion of households that have been resident for less than two years is 16%, although this rises to 48% if looking only at the private rented sector.

Limiting Long Term Illness

» There are approximately 8,600 households with at least one household member with a long-term limiting illness or disability (22%).

Summary

Chapter 3 Statutory Minimum Standards

Category 1 Hazards by Number and Type

» The overall proportion of private sector dwellings with a Category 1 hazard in Allerdale is 11.6%, which equates to around 4,440 dwellings.

» 250 dwellings (0.5%) have two Category 1 hazards and around 80 dwellings (0.2%) have three or more Category 1 hazards identified.

» The most prominent Category 1 hazards are excess cold and falls on stairs (7.8% and 3.3% respectively).

Category 1 Hazard by Location

» The incidence of Category 1 hazards in Keswick (24.3%) and North Allerdale (18.6%) is much higher than other parts of the borough.

Category 1 Hazard by Tenure

» Private rented stock has a higher rate of Category 1 hazards (21.0%) than owner occupation (9.7%).

» Excess cold is the most common reason for failure for both tenure types, followed by falls on stairs.

Category 1 Hazard and Property Age

» Pre-1919 properties are more likely to have a Category 1 hazard than more recent properties - particularly those constructed since 1990, where the rate of failure is fairly negligible (0.4%).

Category 1 Hazard and Property Type

» Around a third (33.7%) of converted flats have a Category 1 hazard. Semi-detached houses and purpose built flats have the lowest incidence of Category 1 hazards (5.5% and 6.4% respectively).

Summary

Chapter 4 - Decent Homes Standard

Decent homes – current minimum standard for housing

» Dwellings fail the Decent Homes Standard if they fail to meet the current minimum standard for housing. This is now the Housing Health and Safety Rating System – specifically Category 1 hazards.

» Category 1 hazards affect 4,440 private sector dwellings in Allerdale (11.6%).

Decent Homes - Disrepair

» Dwelling disrepair affects around 2,790 properties in Allerdale which is approximately 7.3% of all private sector dwellings.

» The failure rate for disrepair is higher for privately rented dwellings (10.5%) than for owner occupied dwellings (6.6%).

Decent Homes – Lacking Modern Facilities

» Overall, only 210 dwellings failed the Decent Homes Standard on lacking modern facilities.

Decent Homes - Thermal Comfort

» 4,040 dwellings in Allerdale have a thermal comfort failure equating to around 10.5% of the dwelling stock.

» Privately rented dwellings have a slightly higher rate of failure compared with owner occupied dwellings.

Decent Homes - Overall

» The Survey estimates that around 8,360 dwellings in Allerdale fail the Decent Homes Standard and this is approximately 21.8% of all private sector dwellings in the borough. 1,960 dwellings (5.1%) fail on two criteria and around 540 dwellings (1.4%) fail on three or more criteria.

» Both nationally and in Allerdale, the most common reason for failure is having a Category 1 hazard.

Decent Homes - location

» North Allerdale (30.5%) and Keswick (24.3%) have rates of non-decency which are above the overall rate for Allerdale (21.8%).

Decent Homes - tenure

» Privately rented dwellings show higher rates of non-decency (29.2%) compared with those which are owner occupied (20.3%).

Decent Homes – property age

» Broadly speaking, non-decency levels increase as the age of the property increases.

Decent Homes – property type

» The highest levels of non-decency are found in purpose built flats (41.7%), converted flats (40.5%) and medium/large terraced houses (26.8%), while the lowest levels are found in demi-detached houses (13.6%).

Decent Homes – costs to remedy

» The estimated total cost to remedy non-decency is £35.8 million, with an average cost per dwelling of £4,250

Summary

Chapter 5 - Energy Performance

SAP rating

» Around half of private sector dwellings (50.1%) are in SAP Band D (55-68), with a further 15% lying in Band E (39-54). The average SAP rating is 59, compared with 60 nationally.

» Around a quarter (25.3%) of private sector dwellings in Allerdale fall in bands A-C. 9.3% are in lowest bands, F and G.

» On average, the SAP rating for owner occupied dwellings (60; Band D) is a little better than for privately rented dwellings (54; Band E).

» The average rating in North Allerdale (53) is lower than in other parts of the borough (all 59 or above), and the average rating for dwellings pre-dating 1919 (51) is also lower than the overall result for Allerdale.

Fuel type

» Around 29,500 dwellings use mains gas as their primary fuel type, which equates to approximately 77% of all dwellings. This still leaves 8,800 dwelling off mains gas.

» A substantial minority (23%) of dwellings are therefore off mains gas. The most common alternative to mains gas is oil heating (4,370 dwellings).

Heating Type

» 93% of dwellings have a central heating system. Houses and bungalows all show relatively high rates using central heating. These dwellings have a strong association with the owner-occupied sector and higher connection to mains gas.

Loft Insulation

» While only a tiny proportion of dwellings (3.1%) have uninsulated lofts, only just over a third have at least 250mm of insulation (the recommended depth is 270mm).

PV Panels

» 1,900 properties are estimated as having PV panels, with the majority being in owner occupied homes. 700 properties are estimated as having solar water heating.

Heating Costs

» Just over half of households spend between £600 and £900 per year on fuel costs, and costs are typically higher for households living in older and larger properties.

Fuel Poverty

» According to the 'Low Income, High Costs' definition, the occupiers of a dwelling are considered to be in fuel poverty if their required fuel costs are above the median level, and spending this amount would leave them with a residual income below the poverty line.

» Based on this definition and the survey data, 10.2% of occupied private dwellings in Allerdale contain a household which is in fuel poverty.

Policy Focus

7.3 Based on the detailed findings of the survey report the following section of this chapter outlines key policy recommendations specific to Allerdale Borough Council.

The expansion of the private rented sector

7.4 The private rented sector in Allerdale has expanded over the past ten years, a market feature similar to that for England. Demand has been strong and landlords have been keen to enter the market given its returns in comparison with other investment options.

7.5 Nationally, demand for affordable homes exceeds supply, while access to owner occupation is constrained from a combination of property values, incomes and mortgage availability. Housing supply is relatively low, while household formation rates continue to rise. For households who can neither access owner occupation nor affordable homes, the private rented sector offers an alternative; the rapid rise in the relative size of the tenure demonstrates this. While new market or affordable housing supply may improve in the long term, in the short term demand for private renting seems likely to remain or increase.

7.6 Importantly, the private rented sector is meeting housing need, largely from newly forming households who can neither access owner occupation nor social housing Such households often rely on housing benefit support to maintain their tenancy; this is currently subject to considerable reform. Although the long term implications of reform are not yet known, emerging evidence indicates households are already exhibiting strain from the changes. Further, private rented sector landlords are also responding; for example, by not letting to households who receive housing benefit, or by converting more family homes into HMOs.

7.7 Looking forward, while the government is seeking to reverse trends through polices such as Starter Homes, the private rented sector seems likely to continue to increase its market share across the country, largely via conversion of existing stock.

Future demands in relation to the private rented sector

7.8 For the Council, the growth in the private rented sector indicates a continuing (and potentially increasing) demand upon resources. Generally, it is likely that most of the private rented sector is well-managed, albeit there are still areas to address in terms of routine maintenance, responding to problems, giving notice before entering, and the rent deposit scheme backed by Government.

7.9 The Survey identified a proportion of non-decent homes in the private rented sector in Allerdale. Whilst there has been a steady improvement in areas such as energy efficiency, the overall condition of the fabric of dwellings and the issues around amenity provision, fire risk and the operation of private rented dwellings by landlords still have issues to address.

7.10 Landlord yields are, arguably, currently constrained by relatively static values, with rents in Allerdale showing little sign of rising. Therefore, although finance availability for improvements is slowly becoming more available, landlords may perceive that this unserviceable from existing yields. This may combine to reduce the extent to which landlords are able to maintain or improve their dwellings. This may, in turn, lead to an increase in complaints from tenants and more enforcement action by the local authority. A growing sector may add to this demand.

7.11 Given this context, it is recommended that the Council continue to monitor the level of resource needed to engage effectively with the private rented sector in order to improve property condition and management. At the same time, the Council should consider the areas to address in the management of the Private Rented Sector around repairs.

Fire risk

7.12 Limited issues were discovered around levels of fire prevention measures in HMOs, and in some respects to an even greater extent in self-contained flats.

7.13 Given that shared house HMOs have an enhanced fire risk compared to a typical dwelling, and given the low provision of fire safety in these dwellings, a policy to address fire safety in these dwellings is advisable. Allerdale Borough Council currently has such a HMO policy, which covers fire safety as well as programmed HMO inspections.

7.14 The majority of key fire safety measures (mains smoke detectors, fire extinguishers, fire blankets, fire notices and to a lesser extent fire doors) are inexpensive items that landlords should be able to afford and thus it is not recommended that any form of financial assistance be offered in relation to the installation of these items. Provision of fire extinguishers, fire blankets and fire proof doors are obligatory in licensable HMOs and enforcement action should be implemented for non-compliant landlords unwilling to fit these measures to their properties. This represents a very small number of properties in Allerdale, but the survey estimates that 220 HMOs do not have fire detectors and 290 do not have fire extinguishers.

Private rented sector – landlord accreditation

7.15 A Cumbria wide landlord accreditation scheme, run in conjunction with the National Landlords Association, currently exists to help ensure standards in the private rented sector. Accreditation schemes provide a channel of communication between local landlords and the council, which in turn can lead to an improvement in standards of management through the promotion of good practice. Landlords can receive support and advice from the local authority so that they can provide good quality and well managed properties.

7.16 To date, limited numbers of landlords in Allerdale have become accredited. To improve take-up, further incentives could be considered to encourage landlords to join the scheme.

Bringing empty properties back into use

7.17 There are an estimated 1,210 long term private sector vacant dwellings in the Borough – that is dwellings that have been vacant for over six months. There are also many reasons why a property may be vacant long term (for example, probate cases can typically take more than six months to resolve).

7.18 In extreme cases, where owners will not bring a dwelling back into use or cannot be identified, the Council has the option to use an Empty Dwelling Management Order (EDMO), but this can be expensive and the property must have been vacant for 2 years. Typically those dwellings that have been taken over in this way are either sold on or are managed by an RP in order to bring them back into use.

7.19 Councils often rely on Council Tax records to identify long term vacant dwellings and these can be problematic. This is due to a wide range of reasons, but principally due to lack of accurate information

and change of circumstances being put forward by property owners. Therefore, Allerdale could seek to improve the links between its Council Tax and housing teams to ensure consistent action is taken.

7.20 One scheme to note is the 'No Use Empty' scheme in Kent (an interest free loan scheme for owners), launched in 2005 (now also adopted in Bristol) which has now brought 1,500 properties back in to use. The first stage of this scheme was to visit all empties listed under Council Tax across the County to identify their true status, which discovered that more than 50% were not actually vacant. Initially, the scheme needed a £6m investment to set up the interest free loan scheme although the scheme is now self-sustaining at no additional cost to the tax-payer.

7.21 Allerdale also have the option to purchase empty homes from their owners and seek to bring them back in to use. This is a scheme which many RPs are currently exploring across the country to seek to boost the scale of affordable housing in an area, but it is clearly expensive to buy and renovate properties.

7.22 If the council were able to reduce the number of long-term empty properties in the area they would benefit from the new Homes Bonus. This scheme treats reducing long-term empty hones as being the equivalent of building new dwellings. However, the council would only benefit on a net, not a gross basis, so the overall number of long-term empty homes must fall.

Vulnerable Occupiers in the Private sector

7.23 Disabled Facilities Grants (DFG) remain the only mandatory grant relating to private sector housing. They require a test of financial resources in a prescribed format unless the case involves children, and the maximum grant is £30,000. The eligible work is set out in sec 23 (1) of the Housing Grants Construction and Regeneration Act 1996, and eligible dwellings include mobile homes and houseboats. The DFG may be recoverable on the sale of the property and any specialised equipment which is provided by way of grant aid (e.g. stair lifts) can be recovered and reused at local authority expense. However, this is dependent upon the circumstances of the case.

7.24 The Better Care Fund (BCF) was announced in June 2013 to drive transformation of local services to ensure that people receive better and more integrated care and support. Disabled Facilities Grant funding has been included within the BCF to encourage local authorities to take a joined-up approach to improving outcomes across health, housing and social care. An increase in funding gives local authorities the opportunity to work differently and seek to offer other types of assistance.

7.25 There is no longer a requirement for local authorities to monitor or work towards reducing the number of non-decent homes in the private sector. In considering how to do so, and given the changed status, together with pressures on budgets and resources, the Council may wish to consider how to target any support it can give.

7.26 This may include a targeted approach based on tackling non-decency where such non-decency is caused by a Category 1 hazard. A further targeting could be applied via making support available to those on low incomes and/or those who are the most vulnerable (older occupiers and residents with a disability).

7.27 It is notable that while the level of non-decency in the owner occupied sector is lower than that in the private rented sector it still represent over 17% of all dwellings, and loan schemes based on a charge

against the property might also be a solution to funding dwelling repair and improvement work for owner occupiers.

Energy Efficiency Improvements

7.28 Energy efficiency levels in Allerdale are similar to the national average, although this position is made up of dwellings with a variety of energy efficiencies.

7.29 Improving energy efficiency and reducing carbon emissions has been a key aim of governments for nearly two decades. One now historic scheme was Warm Front which offered a range of insulation measures to home-owners and some limited heating options. Warm Front was replaced by the Energy Company Obligation (ECO) in 2013 (part of the Government's 'Green Deal') and part of the ECO scheme is the Home Heating Cost Reduction Obligation (HHCRO) scheme, which provides grant-assisted cavity wall and loft insulation measures for people on certain benefits. However, only a small number of properties in Allerdale are likely to benefit from this scheme. ECO is a significant initiative with potential to deliver considerable investment in energy efficiency. Key to these initiatives is an aim of no up-front costs where the cost of works will be recouped in instalments on customers' energy bills. The intention is that these instalments will be off-set by the reduced energy costs stemming from the energy efficiency measures.

7.30 In the Allerdale context, many homes already have loft insulation (although the HSCS findings suggest that many of these have a little below the 270mm recommended depth). Moreover, the high proportion of solid walled dwellings in the borough means that cavity wall insulation will not be appropriate in many cases. However, there appears to be a limited desire from energy companies to promote solid wall insulation measures, due to the relatively

Tackling Fuel Poverty

7.31 Fuel Poverty is described in chapter 5 of the report. Where dwellings do not have mains gas a central heating system running on LPG or oil are the most cost effective options unless other fuels (such as wood) can be procured locally at well below market prices. Replacement of open fires with kitchen ranges that have back boilers or a solid fuel heating system that has a boiler and radiator component will reduce costs and/or more effectively heat the dwelling reducing the health risks associated with fuel poverty. There are additional options in more rural areas to install air source heat pumps, or where land space permits, ground source heat pumps. Solar water heating and photo-voltaic cells can also help to reduce general fuel costs.

7.32 Fuel poverty is particularly acute for households with a disabled resident and for households where the occupiers are aged 75 or over and there is a significant overlap between these two groups. These vulnerable occupiers are also the most likely to suffer as a result of fuel poverty with excess winter deaths (one of the key issues highlighted by fuel poverty). The Council should, therefore, consider:

- Seek to maximise ECO investment, targeting fuel poor households wherever possible.
- Work closely with other departments and voluntary organisations (such as charities): by ensuring all agencies who might come into contact with vulnerable occupiers are aware of the schemes available, they can pass on contacts to the Council to offer assistance with taking up these schemes.

7.33 One fundamental issue with fuel poverty at present is fuel prices. Energy efficiency improvements have reduced the extent to which households will be in fuel poverty, however, this is more than off-set by

high fuel prices. A phenomenon of perpetual fuel poverty is now beginning to arise nationally and is likely to affect Allerdale. This is where a household remains in fuel poverty even after all energy efficiency works have been carried out, simply because their income is not high enough to heat the dwelling under any circumstances. This issue can only be resolved through a sharp decrease in fuel prices, an large increase in household income or through subsidy. It will be un-economic for the Council to subsidise household fuel payments, so options appear to be limited.

7.34 However, the Council does run the Big Allerdale Switch, whereby it promotes collective energy switching schemes. This currently runs four times every year.

7.35 Looking further ahead, a report released in March 2016 by the Competition and Markets Authority (CMA) contained a series of proposals designed to reform the energy market and help consumers save money[8]. One of the many proposed measures is to cap prices for those using pre-payment meters – a group which tends to include poorer and more vulnerable customers. A period of consultation is to follow the publication of this report. If any of its recommendations are ultimately accepted and implemented, this may have implications for energy costs and levels of fuel poverty in Allerdale in the future.

7.36 The Government has also announced changes to the Energy Bill to include a new law introducing a legal minimum energy efficiency standard for homes rented from a landlord from 2018. A trend based estimate based on the 2015-16 HSCS places the total cost of achieving this in Allerdale at £2.6million. However, it is worth noting that that the HSCS already estimates a total cost of £2.6 million to remedy Category 1 hazards in the private rented sector. As two thirds of these properties with Category 1 hazards have an issue with Excess Cold, there would be a considerable overlap between these improvement costs. If all Category 1 hazards were remedied in the private rented sector, it is estimated that around £400,000 of further spending would be required to improve the stock to Band E standard.

7.37 Further option available to the council include seeking to ameliorate fuel poverty by utilising additional DFG funding through a more joined up allocation process. Also. the DECC Central heating fund which provides central heating to fuel poor households has a current grant allocation of £1.2million across Cumbria with the aim of assisting 250 households to install central heating in their home.

[8] https://www.gov.uk/cma-cases/energy-market-investigation

Appendix A

Housing Legislation and Requirements

Housing Acts and other Legislation

Section 605 of the Housing Act 1985 (as amended) placed a duty on local authorities to consider the condition of the stock within their area, in terms of their statutory responsibilities to deal with unfit housing, and to provide assistance with housing renewal. Section 3 of the Housing Act 2004 replaced this with a similar duty to keep housing conditions under review.

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 came into effect on the 19 July 2003 and led to major change in the way local authorities can give financial help for people to repair or improve private sector homes. Before the Order, the Government set clear rules which controlled the way financial help could be given and specified the types of grant which could be offered. The Order set aside most of these rules (apart from the requirement to give mandatory Disabled Facility Grants). It now allows Local Authorities to adopt a flexible approach, using discretion to set up their own framework for giving financial assistance to reflect local circumstances, needs and resources.

The Office of the Deputy Prime Minister (ODPM), published guidance under Circular 05/2003. In order to use the new freedom, a local authority must prepare and publish a Private Sector Renewal Policy. The policy must show that the new framework for financial assistance is consistent with national, regional and local policies. In particular, it has to show that the local priorities the strategy is seeking to address have been identified from evidence of local housing conditions including stock condition.

The Housing Act 2004 received Royal Assent in November 2004. The Act makes a number of important changes to the statutory framework for private sector housing, which came into effect in April 2006:

> The previous fitness standard and the enforcement system have been replaced by the new Housing Health and Safety Rating System (HHSRS).
>
> The compulsory licensing of higher risk houses in multiple occupation (HMO) (three or more storeys, five or more tenants and two or more households).
>
> New discretionary powers including the option for selective licensing of private landlords, empty dwelling management orders and tenancy deposit protection.

Operating Guidance was published on the Housing Health and Safety Rating System in February 2006. This guidance describes the new system and the methods for measurement of hazards, as well as the division of Category 1 and 2 hazards. Guidance has been issued by the ODPM on the licensing provisions for HMOs, which describes the high risk HMOs that require mandatory licensing and those that fall under additional, voluntary licensing.

As the Rating System has now replaced the fitness standard, this report deals with findings based on statutory hazards, not unfitness.

At the time of writing, the Housing Act 2004 is being updated and amended as part of the Housing and Planning Act 2016 which is undergoing parliamentary scrutiny. However, the amendments do not have any major impact on the regulatory powers available to local authorities with the exception of changes relating to rights to prosecute private landlords.

Mandatory Duties

Unfit houses (Housing Act 1985) - to take the most satisfactory course of action – works to make property fit, closure/demolition or clearance declaration.

With effect from April 2006 replaced by:

Category 1 hazards, Housing Health and Safety Rating System (HHSRS) (Housing Act 2004) – to take the most satisfactory course of action – improvement notices, prohibition orders, hazard awareness notices, emergency remedial action, emergency prohibition orders, demolition orders or slum clearance declaration.

Houses in Multiple Occupation (Housing Act 1985) - to inspect certain HMOs, to keep a register of notices served, to require registration where a registration scheme is in force.

With effect from April 2006 replaced by:

HMO Licensing by the Authority (Housing Act 2004) of all HMOs of three or more storeys, with five or more residents and two or more households. Certain exceptions apply and are defined under sections 254 to 259 of the Housing Act 2004.

Overcrowding - (Housing Act 1985) - to inspect and report on overcrowding

Now in addition:

Overcrowding – (Housing Act 2004) – to inspect and report on overcrowding as defined under sections 139 to 144 of the Housing Act 2004 along with statutory duty to deal with any Category 1 overcrowding hazards found under the HHSRS.

The provision of adaptations and facilities to meet the needs of people with disabilities (Housing Grants, Construction and Regeneration Act 1996) - to approve applications for Disabled Facilities Grants for facilities and/or access

Energy Conservation (Home Energy Conservation Act 1995) - to have in place a strategy for the promotion and adoption of energy efficiency measures, and to work towards specified Government targets to reduce fossil fuel use. This should contain assessment of

The cost of proposed energy conservation measures

The extent of decreases in nitrogen and sulphur dioxide into the atmosphere

The extent of decreases in carbon dioxide into the atmosphere

The number of jobs created from the measures taken

Requirements of authorities under the Act

Under revised Guidance (March 2013) all English authorities need to prepare further reports (by 31 March 2013) setting out the energy conservation measures that the authority considers practicable, cost-effective and likely to result in significant improvement in the energy efficiency of residential accommodation in its area.

Authorities should have regard in their reports to:

(i) measures that take advantage of financial assistance and other benefits offered from central Government initiatives, such as the Green Deal, ECO and Renewable Heat Incentive or other initiatives, to help result in significant energy efficiency improvements of residential accommodation; and

(ii) measures which an authority has developed to implement energy efficiency improvements cost-effectively in residential accommodation by using area based/street by street roll out involving local communities and partnerships (e.g. social housing partners, voluntary organisations and town/parish councils).

Reports should set out any existing timeframe for delivery and national and local partners they propose to work with in effecting such measures to support local accountability.

Progress reports to be made at 2 yearly intervals, starting March 2013, and to publish these electronically on their website with a link to be forwarded to the Secretary of State.

HMO Requirements

The legal minimum standards for Houses in Multiple Occupation (HMOs) are contained in Statutory Instrument 2006 No 373, with amendments contained in Statutory Instrument 2007 No 1903. These standards apply to all HMOs, whether or not they need to be licensed.

The standards set out in Statutory Instrument 2006 No 373, schedule 3 stipulate the following:

- An adequate means of space heating must be provided in each letting and in bathrooms, whether shared or not
- Kitchens and bathrooms must be adequately ventilated, including extractor fans in kitchens
- Kitchens, bathrooms and toilets must be of adequate size and layout and be suitably located in the HMO in relation to the lettings
- All baths, showers, wash hand basins and sinks must be fitted with taps supplying cold water and a constant supply of hot water
- For up to 4 occupiers, there must be at least one bathroom and toilet (which can be in the bathroom). This has been amended by Statutory Instrument 2007 No 1903 to say that there must be an adequate number of bathrooms, toilets and wash hand basins for personal washing for the number of persons sharing those facilities, and where reasonably practicable there must be a wash hand basin with appropriate splash back in each unit.

- For five or more occupiers, there must be at least one bathroom for every 5 sharers, and a separate toilet for every 5 sharers. This has been amended by Statutory Instrument 2007 No 1903 to say that there must be an adequate number of bathrooms, toilets and wash hand basins for personal washing for the number of persons sharing those facilities, and where reasonably practicable there must be a wash hand basin with appropriate splash back in each unit.
- Adequate size and layout kitchen for the number of sharers, containing sinks with draining boards, cooking equipment, worktops, storage cupboards, for food and crockery and utensils, fridge/freezers (combined or separate), and electrical sockets
- Adequate refuse disposal facilities
- Adequate fire precautions including fire doors and fire blankets as appropriate

HMOs should also be assessed against the Housing Health and Safety Rating System and the appropriate enforcement action should be taken, where necessary, to ensure any deficiencies are rectified.

The Management of Houses in Multiple Occupation England 2006 and Licensing and Management of Houses in Multiple Occupation and other houses (miscellaneous provisions) (England) Regulations 2006. Regulation 8 and Schedule 3 govern the following requirements for heating, space, light and ventilation in HMOs.

Heating

The normally accepted standard is a central heating system (preferably gas fired), or fixed heaters (electric heaters should be hard wired, not plugged into the room sockets). Portable electric fires, convector heaters or oil filled radiators, gas cylinder powered heaters or paraffin heaters are not acceptable.

Space

Letting rooms should be not less than 10m2 for a single letting, which can be reduced to 7m2, if there is a communal lounge. Double rooms should be 15m2 and 11m2 respectively.

Natural Light and Ventilation

Clear glazing equivalent in area to 10% of the floor area of the room should be provided in each letting. Openable windows equivalent in area to 5% of the floor area of the room should be provided in each letting. Doors to open air cannot be included in the reckoning.

Fire Safety

Fire safety provisions and equipment should be provided as appropriate to the accommodation in line with the domestic fire safety standard.

Fire Alarms

Fire can break out in even the most safety conscious household, and should this happen, toxic smoke can very quickly spread throughout the house. It is most important, therefore to alert the occupants as soon as possible that a fire has broken out in the house. The most effective way of providing this early warning is to fit electrically operated fire detection and alarm systems.

These can range from single, battery operated smoke alarms which are widely available from only a few pounds to quite sophisticated mains operated systems linked to a remote monitoring service who will alert Fire and Rescue should the alarm be actuated in the property. Both the Council and Fire and Rescue recommend a system of smoke and heat alarms which are mains operated and have a battery backup. Smoke alarms must be interlinked, either by physical inter-wiring or by a wireless signal, so that when one alarm detects a fire, all the alarms in the building will sound.

In single family homes and low risk houses in multiple occupation the normal standard would be to provide smoke alarms in the circulation space (hall, stairs and landing) and heat alarms in the kitchen. In most other types of HMO additional alarms are located inside the lettings.

Means of Escape

In all cases there should be a clear escape route from all parts of the house to open air. This is usually the landing, staircase and hallway to the front door. These routes must be kept clear of obstruction and a lockable door should be able to be opened from the inside without using keys. In all but the low risk Houses in Multiple Occupation, doors onto the escape route should be to an approved fire resisting standard. Windows are not accepted as means of escape however ground and first floor windows must be openable to allow exit or access for rescue should the normal escape route not be available.

Firefighting Equipment

It is recommended that all kitchens are provided with a fire blanket, kept in an easily accessible position. It is also generally recommended that this is supplemented by a 2Kg Dry Powder extinguisher in or near to the kitchen (the extinguisher may be needed to cover other hazards on the ground floor). In HMOs it is normal to fit a 2Kg Dry Powder extinguisher on each landing.

Appendix B

Survey sampling, fieldwork and weighting the data

The survey used a random sample of dwellings from an address file supplied by Allerdale Borough Council. A total of 2,000 addresses were selected at random, and 924 interviews were obtained from the addresses sampled.

All addresses on the original address list were assigned an ID number and a random number generating computer algorithm was used to select the number of addresses specified within the area.

The survey incorporates the substantial majority of housing stock in Allerdale, including all private sector (owner occupied and privately rented) housing, but excluding social rent.

Each dwelling selected for survey was visited a minimum of three times where access failed and basic dwelling information was gathered including a simple assessment of condition if no survey was ultimately possible. To ensure the sample was not subject to a non-response bias, the condition of the dwellings where access was not achieved was systematically compared with those where the surveyors were successful. Where access was achieved, a full internal inspection was carried out including a detailed energy efficiency survey. In addition to this, where occupied, an interview survey was undertaken and all adult residents were invited to complete a survey about their individual health.

The basic unit of survey was the 'single self-contained dwelling'. This could comprise a single self-contained house or a self-contained flat. Where more than one flat was present the external part of the building, encompassing the flat and any access-ways serving the flat were also inspected.

The house condition survey form is based on the survey schedule published by the ODPM in the 2000 guidelines (Local House Condition Surveys 2000 HMSO ISBN 0 11 752830 7).

The data was weighted using ORS reporting software. Two approaches to weighting the data have been used.

The first method is used for data such as building age, which has been gathered for all dwellings visited. In this case the weight applied to the individual dwellings is very simple to calculate, as it is the reciprocal of the sample fraction. Thus if 1 in 10 dwellings were selected the sample fraction is 1/10 and the weight applied to each is 10/1.

Where information on individual data items is not always present, i.e. when access fails, then a second approach to weighting the data is taken. This approach is described in detail in the following appendix, but a short description is offered here.

The simplest approach to weighting the data to take account of access failures is to increase the weight given to the dwellings where access is achieved by a proportion corresponding to the access failures. Thus if the sample fraction were 1/10 and 10 dwellings were in a sample the weight applied to any dwelling would be 10/1 which would give a stock total of 100. However, if access were only achieved in 5 dwellings the weight applied is the original 10/1 multiplied by the compensating factor, 10/5. Therefore 10/1 x 10/5

= 20. As there are only 5 dwellings with information the weight, when applied to five dwellings, still yields the same stock total of 100. The five dwellings with no data are ignored.

There is no evidence to suggest that the access rate has introduced any bias. When externally gathered information (which is present for all dwellings) is examined the stock that was inspected internally is present in similar proportions to those where access was not achieved suggesting no serious bias will have been introduced.

Only those dwellings where a full survey of internal and external elements, energy efficiency, housing health and safety and social questions were used in the production of data for this report. A total of 924 such surveys were produced.

The use of a sample survey to draw conclusions about the stock within the area as a whole introduces some uncertainty. Each figure produced is subject to sampling error, which means the true result will lie between two values, e.g. 5% and 6%. For ease of use, the data are presented as single figures rather than as ranges. A full explanation of these confidence limits is included in the following appendix.

Sample Design

The sample was drawn from the Allerdale address file provided by the Council. The sample was a random sample of addresses in the Borough.

Stock Total

The stock total is based initially on the address list; this constitutes the sample frame from which a proportion (the sample) is selected for survey. Any non-dwellings found by the surveyors are marked as such in the sample; these will then be weighted to represent all the non-dwellings that are likely to be in the sample frame. The remaining dwellings surveyed are purely dwellings eligible for survey. These remaining dwellings are then re-weighted according to the original sample fractions and produce a stock total.

In producing the stock total the amount by which the total is adjusted to compensate for addresses that are not residential dwellings is estimated. This is based on the proportion of non-residential addresses found by surveyors in the sample.

Weighting the Data

The original sample was drawn from ABC's Address file. The sample fractions used to create the sample from this list can be converted into weights. If applied to the basic sample these weights would produce a total equal to the original address list. However, before the weights are applied the system takes into account all non-residential and demolished dwellings. This revised sample total is then weighted to produce a total for the whole stock, which will be slightly lower than the original total from which the sample was drawn.

Dealing with Non-response

Where access fails at a dwelling selected for survey the easiest strategy for a surveyor to adopt is to seek access at a neighbouring property. Unfortunately this approach results in large numbers of dwellings

originally selected subsequently being excluded from the survey. These are the dwellings whose occupiers tend to be out all day, i.e. mainly the employed population. The converse of this is that larger numbers of dwellings are selected where the occupiers are at home most of the day, i.e. older persons, the unemployed and families with young children. This tends to bias the results of such surveys as these groups are often on the lowest incomes and where they are owner-occupiers they are not so able to invest in maintaining the fabric of their property.

The methods used in this survey were designed to minimise the effect of access failures. The essential features of this method are; the reduction of access failures to a minimum by repeated calls to dwellings and the use of first impression surveys to adjust the final weights to take account of variations in access rate.

Surveyors were instructed to call on at least three occasions and in many cases they called more often than this. At least one of these calls was to be outside of normal working hours, thus increasing the chance of finding someone at home.

Where access failed this normally resulted in a brief external assessment of the premises. Among the information gathered was the surveyor's first impression of condition. This is an appraisal of the likely condition of the dwelling based on the first impression the surveyor receives of the dwelling on arrival. It is not subsequently changed after this, whatever conditions are actually discovered.

Where access fails no data is collected on the internal condition of the premises. During data analysis weights are assigned to each dwelling according to the size of sample fraction used to select the individual dwelling.

The final weights given to each dwelling are adjusted slightly to take into account any bias in the type of dwellings accessed. Adjustments to the weights (and only the weights) are made on the basis of the tenure, age and first impression scores from the front-sheet only surveys.

Sampling Error

Results of sample surveys are, for convenience, usually reported as numbers or percentages when in fact the figure reported is at the middle of a range in which the true figure for the population will lie. This is due to the fact that a sample will be subject to error since one dwelling is representing more than one dwelling in the results. The larger the sample, the smaller the error range of the survey and if the sample were the same size as the population the error range would be zero. Note: population is a statistical term referring to the whole; in this case the population is the total number of private sector dwellings.

The error range of the survey can be expressed in terms of the amount above or below a given figure that the true result is expected to lie. For example, in what range does the true figure for the proportion of dwellings with a Category 1 hazard lie. This error range is also affected by how confident we want to be about the results. It is usual to report these as the 95% confidence limits, i.e. the range either side of the reported figure within which one can be 95% confident that the true figure for the population will lie. In other words, if we re-ran the whole survey 100 times, we would expect that 95 times out of 100 the result would fall within a given range either side of the reported figure. This range is referred to as the standard deviation.

The calculation for standard deviation, within 95% confidence limits, is the standard error multiplied by 1.96. The following is the formula for calculating standard error:

$$s.e.(p_{srs}) = \sqrt{(1 - \frac{n}{N})\frac{p(1-p)}{n}}$$

Where $s.e.(p_{srs})$ is the notation to describe the general formula for the standard error for a simple random sample.

N = the number of dwellings in the population.

n = the number of dwellings in the sample.

p = the proportion of dwellings in the sample with a particular attribute such as Category 1 hazards.

This formula can be used to calculate the confidence limits for the results of any attribute estimated in the survey. Figure 48 gives a number of sample sizes and the confidence limits for a range of different possible results.

Figure 48: 95% per cent confidence limits for a range of possible results and sample sizes

Expected result as per cent	Sample size									
	100	200	300	400	500	600	700	800	900	1,000
10	5.9	4.2	3.4	2.9	2.6	2.4	2.2	2.1	2.0	1.9
20	7.8	5.5	4.5	3.9	3.5	3.2	3.0	2.8	2.6	2.5
30	9.0	6.4	5.2	4.5	4.0	3.7	3.4	3.2	3.0	2.8
40	9.6	6.8	5.5	4.8	4.3	3.9	3.6	3.4	3.2	3.0
50	9.8	6.9	5.7	4.9	4.4	4.0	3.7	3.5	3.3	3.1
60	9.6	6.8	5.5	4.8	4.3	3.9	3.6	3.4	3.2	3.0
70	9.0	6.4	5.2	4.5	4.0	3.7	3.4	3.2	3.0	2.8
80	7.8	5.5	4.5	3.9	3.5	3.2	3.0	2.8	2.6	2.5
90	5.9	4.2	3.4	2.9	2.6	2.4	2.2	2.1	2.0	1.9

Very Small Samples and Zero Results

When sub-dividing the results of a sample survey by multiple variables, it is possible to produce a result where no survey carried out matches these criteria. In such a case the result given will be zero, however, this can give a false impression that no such dwellings exist. In reality, it may well be possible that a very small number of dwellings, with the given characteristics, are present, but that in numbers that are too low to have been randomly picked by the sample.

In the case of the 2015-16 Allerdale HSCS, the average survey weight is approximately 42 (38,370 dwellings divided by 924 surveys). As a consequence, if there are fewer than 42 dwellings of a certain type within the Council area, the result from the survey will tend to be a very crude measure. This is because, based on the average weight, only a result of 0, 42 or 84could be given, which if, in reality, there are 40 dwellings with a certain characteristic, is relatively imprecise.

Because of the points outlined above, the reader is encouraged to view extremely small or zero results with caution. It should be considered that these represent a small but indeterminate total, rather than none at all.

Appendix C

List of Abbreviations

BRE	Building Research Establishment
CERT	Carbon Emissions Reduction Target
CESP	Community Energy Savings Programme
CLG	Department for Communities and Local Government
CO2	Carbon Dioxide
COA	Census Output Area
DECC	Department for Energy and Climate Change
DFG	Disabled Facilities Grant
DHS	Decent Homes Standard
DWP	Department for Work and Pensions
EDMO	Empty Dwelling Management Order
EHCS	English House Condition Survey
EHS	English Housing Survey
GIS	Geographical Information System
HHSRS	Housing Health and Safety Rating System
HIA	Home Improvement Agency
HMO	House in Multiple Occupation
LPG	Liquefied petroleum gas
NPPF	National Planning Policy Framework
ODPM	Office of the Deputy Prime Minister
PSA	Public Service Agreement
PSHSCS	Private Sector Stock Condition Survey
PV	Photo Voltaic
RPs	Registered Providers
RRO	Regulatory Reform Order
RSL	Registered Social Landlord
S257 HMO	Section 257 House in Multiple Occupation
SAP	Standard Assessment Procedure
SEH	Survey of English Housing
TCS	Thermal Comfort Standard

Appendix D

Table of figures