

SCRUTINY PANEL B

Meeting held in the Committee Room, Council Offices, Urban Road, Kirkby-in-Ashfield,

on Wednesday, 6th July, 2016 at 6.30 pm

Present: Councillor Helen Hollis in the Chair;

Councillors Lee Anderson, Chris Baron,
David Griffiths (substitute for Lachlan Morrison),
Cathy Mason, Lauren Mitchell,
Christine Quinn-Wilcox and Jason Zadrozny
(substitute for Rachel Madden).

Apologies for Absence: Councillors Rachel Madden and
Lachlan Morrison.

Officers Present: Lynn Cain, Jacqui Harvey, Mike Joy and
Pam Wharfe.

In Attendance: Councillor Paul Roberts.

SB.1 Declarations of Disclosable Pecuniary and Non Disclosable Pecuniary/Other Interests

Councillor Jason Zadrozny (substituting for Councillor Rachel Madden), declared a non disclosable pecuniary/other interest in relation to agenda item 4 (Selective Licensing Scheme – Consultation). His interest arose from the fact that he currently rented out two properties that lay on the border of the Selective Licencing Scheme Phase 1 area and had recently sold a property which fell within the Selective Licencing Scheme Phase 2 area. He had also been lobbied by the new owner of the said property in relation to the Selective Licensing Scheme consultation.

SB.2 Minutes

RESOLVED

that the minutes of the meeting of the Panel held on 3rd March, 2016, be received and approved as a correct record.

SB.3 Selective Licensing Scheme - Consultation

The Chairman introduced the item and advised the Panel that following consultation on the Scrutiny Workplan, the first topic that had been chosen for consideration by Panel B Members was the proposed Selective Licensing Scheme. To assist with discussions, Pam Wharf, the Council's Interim Service Director for Housing and Jacqui Harvey, the Council's Senior Environmental Health Officer were in attendance at the meeting to offer assistance as required.

The report outlined the concept of selective licensing and its objectives for raising the standard and management of privately rented properties within a designated area. Consultation on a proposed scheme for two designated areas within Ashfield was currently underway and views were being sought from the Panel to feedback into the process. Selective licensing had originally been considered 18 months ago as part of a wider review on empty homes by Scrutiny Panel A and one of the recommendations to Cabinet at that point in time was for the Council to consider selective licensing as a way to drive improvements to the quality of housing within the privately rented sector.

The Interim Service Director for Housing informed the Panel that when she took up her position at Ashfield District Council during September 2015 there had already been some preparatory work undertaken in relation to a Selective Licensing Scheme for Ashfield. Following further discussions it was agreed that the required evidence base which would form part of the submission for approval by the Secretary of State for Communities and Local Government, would be difficult to substantiate for the whole Ashfield area. It was more prudent therefore to choose designated areas where robust and compelling data/evidence could be presented.

The two sites chosen were as follows:-

Phase 1 – Stanton Hill, Sutton in Ashfield

High Street (partial), NG17 3FY / NG17 3GG
Brand Lane (partial), NG17 3FZ / NG17 3GH
Morley Street, NG17 3HA
Co-Operative Street, NG17 3HB
Institute Street, NG17 3HD
Cross Row, NG17 3HE

Phase 2 – Sutton Central, Sutton in Ashfield

Outram Street (partial), NG17 4AB / NG17 4AN / NG17 4AP / NG17 4AX /
NG17 4BA / NG17 4BG / NG17 4FS / NG17 4FT / NG17 4FU / NG17 4FW
Park Street, NG17 4BB
North Street, NG17 4BD
Russell Street, NG17 4BE
Morley Street, NG17 4ED / NG17 4EE
Downing Street, NG17 4EF
Beighton Street, NG17 4EG / NG17 4FU
Chatsworth Street, NG17 4FR / NG17 4GE / NG17 4GG
Lime Street, NG17 4GA / NG17 4GB
Short Street (partial), NG17 4GD
Walton Street, NG17 4GF
Stoney Street, NG17 4GH
St Michaels Street, NG17 4GJ / NG17 4GN / NG17 4GP
East Street (partial), NG17 4GQ
Tenter Close, NG17 4GS.

Having taken advice from other local authorities it was agreed that the data would focus on crime and anti-social behaviour within the allocated areas and the resulting evidence gathered was compelling. Ashfield District Council were

currently instigating legal action on approximately eight out of ten housing enforcement cases which was far above the national average of three out of ten cases. Some workshops had already been carried out with local landlords regarding the potential for selective licensing within Ashfield and their contributions and insights towards shaping the scheme had been invaluable.

The Senior Environmental Health Officer advised the Panel that the consultation was presently ongoing, having commenced on the 6th May, 2016, and would be concluded on the 29th July, 2016. Following analysis of the feedback and responses, a report was due to be submitted to Council in October 2016 should it be decided that the Selective Licensing Scheme remained a viable proposal for the Authority.

Should the Selective Licensing Scheme be approved it would enable the Council to designate the area for a maximum of 5 years. Within the designation area all privately rented properties would require a licence to operate and any owner of a rented property would need to make an application to the Council for a licence (landlords of houses with multiple occupation and registered stated landlords are exempt). The licence would contain a series of conditions and the fee would be £350 per property which would reduce to £250 should the owner be a member of a landlord organisation. The Panel acknowledged that this mandatory licensing fee would be the lowest in the Nottinghamshire area should the Scheme go ahead.

The designation of an area through the Scheme would also allow the Council to act more proactively (instead of reactively) and encourage investment to the area. Tenants would feel more secure and landlords could be offered ongoing support and guidance. The main priority for the Scheme was to endeavour to alleviate the poor living conditions that many vulnerable families have to endure due to unscrupulous public sector landlords. Any breach of the licence conditions would be a criminal offence with a fine of up to £10,000.

A lengthy debate ensued whereby Members considered many aspects of the potential Scheme and concerns were raised surrounding the impact on families should landlords react to the new licensing conditions by evicting tenants and making them homeless. It was acknowledged that any agreed criteria needed to be robust to weed out irresponsible landlords but not too severe to cause more trauma to already vulnerable families. S21 of the Housing Act 1988 already provided some protection against landlords serving eviction notices for frivolous reasons but this potential consequence following designation of a selective licensing area would need to be closely monitored.

The Panel considered the criteria for being granted a licence under the Scheme and the dubious practice carried out by a minority of landlords regarding the keeping of tenancy bonds in their own personal bank accounts. Members were advised that this practice, if discovered, would be a breach of the licence should a landlord fail to keep any bond deposits in a separate business account.

A Panel Member expressed his disappointment that Ward Members for the designated areas had not been made aware of the Scheme proposals and had not been given the opportunity to input into the process. Officers assured the

Panel that the Ward Members had been contacted on many occasions to take part in the early discussions, workshops and consultation process. The boundaries for the two designated areas were also questioned and how many staff would be recruited to administer the Scheme.

The Interim Service Director for Housing advised that up to the present time, all spending on the proposals had been within agreed budgets. Some of the funding raised by the Scheme, should it go ahead, would be utilised to pay for staff but profit-making on the initiative was prohibited and all surplus monies would be used to facilitate street level improvements.

Comments were raised in relation to how many of the landlords who had attended the preliminary workshops had been from the Ashfield area and the Senior Environmental Health Officer advised the Panel that 65 Ashfield landlords had attended the first workshop with 19 attending the second event.

It was acknowledged by the Panel that should the Scheme be implemented there would be some turnover of landlords within the designated areas but support and guidance was already out there with the New Cross Project being a prime example. It was also hoped that the designated areas, having attracted reliable and trustworthy landlords, would also attract investment to the areas from other sources.

A short discussion took place in relation to the levels of crime within the designated areas and how these problems would continue to exist whether the Scheme was in place or not. This view was refuted and the Panel were advised that reputable Ashfield landlords were asking for the Scheme to be implemented to exert some control over absent and unscrupulous landlords and acknowledged that both the Police and the Council could work together better to tackle the issues should robust licensing criteria be in place.

The debate shifted to properties owned by landlords that fall into disrepair and how the Council could influence the sale of such properties. The Senior Environmental Health Officer advised that the Council had powers to secure an 'Empty Dwelling Management Order' on properties (unoccupied and in a poor state of repair) which empowered a local authority to put an unoccupied property back into use as housing. Whenever this process had been instigated in the past it usually put pressure on a landlord to move on and/or leave the area.

It was acknowledged by the Panel that the blame did not always fall to the landlord and sometimes tenants were unmanageable and troublesome causing ongoing distress to both landlord and neighbours. Members were informed that should the Scheme be implemented, the properly licenced landlords could request that a database be kept by the local authority in relation to troublesome and disorderly tenants and be available to landlords signing up to the Scheme.

To conclude the discussion focussed on courts procedures aimed at removing 'out of control' tenants from properties and the possible impact of the welfare reform changes to a 'universal credit' scheme that could impact on the payment of rent to landlords from tenants receiving benefits.

The Chairman took the opportunity to thank Pam Wharfe and Jacqui Harvey for their attendance at the meeting and their contributions towards the review process.

RESOLVED

that following conclusion of the consultation for the proposed Selective Licensing Scheme on the 29th July, 2016 and the Council's consideration of the responses together with any other relevant information, a further report be presented to the Panel to enable Members to formulate a set of recommendations to be presented to Cabinet as appropriate.

(During discussion of this item, Councillor Lauren Mitchell left the meeting at 7.21 p.m.)

The meeting closed at 7.34 pm

Chairman.