

Report To:	CABINET	Date:	18th January 2018
Heading:	SELECTIVE LICENSING - THE NEXT PHASE		
Portfolio Holder:	CLLR KEIR MORRISON – HOUSING AND ASSETS		
Ward/s:	VARIOUS		
Key Decision:	NO		
Subject to Call-In:	NO		

Purpose of Report

To update Cabinet on the impact of Phases 1 & 2 of Selective Licensing, which were implemented on the 1st February 2016 and which has ensured that vulnerable families have had access to safe and suitable accommodation within the private rented sector within the District.

To request approval for a research project for further phases of a Selective Licensing Scheme of private landlords and for the implementation of a Statutory 3 month period of public consultation following this research work.

To advise on potential new phases to research to include: PHASE 3 - Sutton North , PHASE 4 - Sutton East , PHASE 5 - Kirkby in Ashfield , PHASE 6 – Huthwaite areas as detailed in the Private Sector Renewal Strategy.

Recommendation(s)

Cabinet is recommended to approve:

1. The implementation of a research project prior to a statutory 3 month period of public consultation, in relation to the expansion of the Selective Licensing Scheme of private landlords; this research project being specifically for the identification of potential future phases.
2. To agree in principle potential new phases of the Selective Licensing Scheme subject to justification through the research, PHASE 3 - Sutton North, PHASE 4 - Sutton East, PHASE 5 - Kirkby in Ashfield, PHASE 6 – Huthwaite areas as detailed in the Private Sector Renewal Strategy.

Reasons for Recommendation(s)

Since Selective Licensing was introduced in Sutton Central and Stanton Hill and came into force in Phases 1 & 2 on the 1st February 2017, we have been able to fully establish the following:

- 956 (approx.) properties require a selective licence
- 800 (approx.) different landlords or agents
- 581 are engaged in the application process in some form
- 296 applications are currently being processed by the licensing officers
- 185 of those applications have had Draft Licences issued
- 150 of those applications have had Full licences issued
- 1 application has failed the fit and proper test

This means that so far;

150 properties have had: their wiring inspected, their smoke detection upgraded, the insulation in the properties improved, have a valid EPC and all now have an improved or adequate fixed heating system.

In addition :

87 properties have been fully rewired

47 properties have had new roofs and windows

26 properties have been proactively identified as high risk and have been fully inspected by Environmental Health officers within 4 days of discovery.

Alternative Options Considered (With Reasons Why Not Adopted)

Not to proceed with a research project of the potential new areas. **Not recommended**

Proceed with research for potential new areas for Selective Licensing. This research will allow officers to use an evidence based approach to identify where new phases should be sited and to undertake the necessary 3 month statutory consultations. A further Cabinet Report will be brought at the end of the consultation period with options for delivery.

Detailed Information

Since the implementation of Phases 1 and 2, there has been an influx of new landlords to the area. They have purchased properties from poorer quality landlords and have also refurbished some long term empty properties. Since the scheme came into force, approximately 37 properties have changed hands and been improved by their new owners to a high standard and over 50 long term empty properties have been sold and purchased by good quality stakeholder landlords. These new landlords welcome licensing and are improving the standards of properties in the area prior to occupation.

In addition there has been a significant increase in HMO licence applications throughout the district which may well be as a result of property disposal and the implementation of the selective licensing scheme which is bringing new landlords in. The HMO licence requirements will change significantly in 2018, which will have a positive impact in the Hucknall Ward particularly and this will be addressed in a separate Cabinet Report later in the year.

Phases 1 and 2 of the Selective Licensing scheme is having a positive impact on the designated areas; not only this can be visually seen within the 2 communities, but also by the fact that the team has received positive feedback from landlords, tenants and businesses.

Implications

Corporate Plan:

- **Improve Community Health and Wellbeing.**
- By considering the need for designation of further phases of Selective Licensing scheme ADC can ensure that vulnerable families are able to access safe and suitable accommodation in the private rented sector within Ashfield. This is in line with the Corporate Plan relating to the health and wellbeing of residents and wider communities.
- **Community responsibility for an attractive and safe environment**
- Helping people live in a Clean, Safe and Accessible Local Environment.
Helping people dispose of their waste sustainably and in an appropriate way.
Sustaining a reduction in anti-social behaviour.
- **Stronger and more resilient communities where people want to live, work, play and be involved**
- Helping vulnerable people access the support they need, when they need it.
Reduction in fuel demand across the district (domestic and business properties).

Legal:

Legal have been involved in the preparation for the current schemes and will need to be involved as part of the project team if this report is approved.

Section 80 of the Housing Act 2004 allows local housing authorities to designate an area in their district as subject to selective licensing where those areas are experiencing low housing demand and/or suffering from anti-social behaviour. Before making a designation the authority must take reasonable steps to consult persons likely to be affected by the designation and consider any representations made.

Section 82 of the Housing Act 2004 provides that a designation for an area as subject to selective licensing cannot come into force unless it has been confirmed by the Secretary of State or it falls within a description of designations in relation to which the Secretary of State has given a general approval. The general approval will not apply if the designation (by itself or combined with other selective licensing designations made by the authority) covers more than 20% of the geographical area of the authority or would affect more than 20% of privately rented homes in the authority's area. Further, the general approval will only apply if the authority has consulted for at least 10 weeks.

The consultation period should allow sufficient time to ensure that the authority's proposals are drawn to the attention of anyone with a connection to, or interest in, the areas to be focussed upon. In addition, the consultation process must give sufficient reasons for the proposals to enable an adequate response.

Finance:

Finance are involved in detail in the preparation for the current schemes and will need to be involved as part of the project team if agreed. There are no Financial implications arising directly from this Report.

Budget Area	Implication
General Fund – Revenue Budget	No financial implications
General Fund – Capital Programme	No financial implications

Risk:

Risk	Mitigation
<p>Digitisation: there is a risk in relation to manual processing of licence applications over the next 6 months of the existing scheme and this will have a greater impact on other Phases if introduced. Risk of not being able to introduce further phases as a result.</p>	<p>This is to be discussed in a business case which is due to be discussed at the Transformation & Efficiency Programme Board.</p>

Human Resources:

No impact from this Cabinet Report.

Equalities *(to be completed by the author):*

There is an existing Equality Impact Assessment which applies to the work of the Council in respect of the administration of the Housing Health and Safety Rating Scheme and the enforcement of Homes in Multiple Occupation. The baseline of data provided for that assessment will be used to assess the equality impact of this proposal and the resultant research. The implementation of further phases of Selective Licensing (subject to public

consultation) will have a positive impact on those groups with protected characteristics, as it is designed to benefit vulnerable households living in the areas covered by the scheme.

Other Implications:

Communications: a press release is needed to accompany approval of this report and regular updates through the consultation period. This subject matter is of interest to the residents of Ashfield.

Reason(s) for Urgency (if applicable):

N/A

Background Papers

Section 80 of the Housing Act 2004 allows Local Authorities to apply for Selective Licensing of privately rented properties in areas which are experiencing: low housing demand, suffering from anti-social behaviour, poor housing conditions, an influx of migration, high levels of deprivation and/or high levels of crime. The main provisions in respect of Selective Licensing came into force in April 2006. The same Act also introduced a new licensing regime for Houses in Multiple Occupation (HMOs).

The Act provides a discretionary power, subject to carrying out consultation and to the approval of the appropriate national authority (who is the Secretary of State), for Local Housing Authorities to licence all private landlords in a designated area with the intention of ensuring that a minimum standard of management is met. In order for a scheme to be approved, such a Selective Licensing scheme must be shown to be co-ordinated with the Authority's wider strategies to deal with anti-social behaviour and regeneration.

The explanatory notes to Part 3 of the Housing Act 2004 make it clear that the Selective Licensing scheme is strongly linked into the Government's anti-social behaviour agenda and provides some further background to the scheme.

Report Author and Contact Officer

Author

Carol Cooper-Smith
DIRECTOR OF PLACE AND COMMUNITIES
c.cooper-smith@ashfield.gov.uk
01623 457374

Contact officer

Jacqui Harvey
Senior Environmental Health Officer /Team Leader
Private Sector Enforcement
j.harvey@ashfield.gov.uk
01623 457261