

NAME OF COMMITTEE / BODY - Area 8 Committee 1st March 2017

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| Title of paper: | Proposal for a Scheme of Selective Licensing for Privately Rented Houses | |
| Director(s)/ Corporate Director(s): | David Bishop, Corporate Director for Development and Growth Andy Vaughan, Corporate Director for Commercial and Operations | Wards affected: ALL |
| Report author(s) and contact details: | Lorraine Raynor lorraine.raynor@nottinghamcity.gov.uk Graham Demax graham.demax@nottinghamcity.gov.uk Lisa Ball lisa.ball@nottinghamcity.gov.uk | |
| Other colleagues who have provided input: | | |
| Date of consultation with Portfolio Holder(s) (if relevant) | 22nd November 2016 | |
| Relevant Council Plan Key Theme: | | |
| Strategic Regeneration and Development | | <input type="checkbox"/> |
| Schools | | <input type="checkbox"/> |
| Planning and Housing | | <input checked="" type="checkbox"/> |
| Community Services | | <input type="checkbox"/> |
| Energy, Sustainability and Customer | | <input type="checkbox"/> |
| Jobs, Growth and Transport | | <input type="checkbox"/> |
| Adults, Health and Community Sector | | <input type="checkbox"/> |
| Children, Early Intervention and Early Years | | <input type="checkbox"/> |
| Leisure and Culture | | <input type="checkbox"/> |
| Resources and Neighbourhood Regeneration | | <input type="checkbox"/> |
| Summary of issues (including benefits to citizens/service users): | | |
| <p>This report is to inform the Area 8 Committee of the data collection and analysis work that has been completed to inform a decision to consult on a proposal to introduce a selective licensing scheme for privately rented houses. Executive Board have approved the proposed designation in principle and a public consultation will take place on these proposals between January and March 2017.</p> <p>The use of selective licensing powers will provide the following benefits:</p> <ul style="list-style-type: none"> • An opportunity to effectively influence higher standards of privately rented houses and to ensure effective management through more extensive control; • A key tool in achieving the overall reduction of Anti-Social Behaviour (ASB); and • Lead to higher levels of customer satisfaction with private rented sector accommodation within the City • Work with landlords and tenants to provide positive advice and assistance to achieve legislative compliance, education and the provision of advice and information as appropriate. <p>The report outlines the outcomes of an evidence gathering project surrounding the need for selective licensing within the City and demonstrates the existence of problems within the proposed designation. It shows that there is a strong correlation between the criteria for introducing a scheme and the private rented housing stock in Nottingham. Whilst different parts of the City meet different grounds, collectively there is a strong argument for suggesting that the entire City should be covered by the scheme.</p> | | |

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| Recommendation(s): | |
| 1 | To note the contents of the report |
| 2 | To offer views on the proposal for a scheme of selective licensing for privately rented houses |
| 3 | To actively contribute to the consultation process |

1 REASONS FOR RECOMMENDATIONS

- 1.1 The proposed designated area has been chosen because evidence, gathered in accordance with the Department for Communities and Local Government (DCLG) guidance suggests that relevant statutory tests have been met and that selective licensing of privately rented houses in the area would be an appropriate tool to resolve problems.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 The introduction of a licensing scheme for private rented accommodation to drive up standards and protect tenants across the City is a key objective in the current Council Plan for 2015-2019. Selective Licensing (a power available to local authorities to licence private rented houses) aims to improve living conditions for residents both in the private rented sector and the surrounding community and drive up standards amongst poor landlords. The scheme is an important element of the Council's commitment to safeguarding and protecting vulnerable citizens across the city and in providing quality, safe housing. In order for a scheme to be implemented there are strict statutory criteria and conditions which need to be met. The scheme will also contribute to reductions in levels of Crime and Anti-Social Behaviour and also contributes to one of the Council's key objectives to "cut the number of victims of crime by a fifth and contribute to reduce anti-social behaviour."

- 2.2 Evidence gathering work has been carried out to establish if there are grounds for implementing a scheme of selective licensing in Nottingham and if so where. An evidence base to inform a designation was gathered using number of data sources. Extensive analysis of the evidence against each of the criteria. The area that has been chosen as a proposed designation to consult upon has been arrived at through the analysis of this data. The evidence that has been gathered supports a designation based on the following grounds: -

- significant and persistent problem caused by anti-social behaviour;
- poor property conditions;
- high level of deprivation and;
- high levels of crime.

- 2.3 The report outlines the outcomes of an evidence gathering project surrounding the need for selective licensing within the City and demonstrates the existence of problems within the proposed designation. It shows that there is a strong correlation between the criteria for introducing a scheme and the private rented housing stock in Nottingham.

2.4 Though the area does not have a high concentration of private rented properties in the round, it is being included under the whole city designation. Evidence shows that both Clifton South and Clifton North have pockets of areas with a high proportion of properties that are in the private rented sector (PRS) and meet the criteria of antisocial behaviour. Both Clifton North and South have pockets of areas that meet one or more of the additional criteria. Clifton South is also an area where there is high potential for properties previously in the social rented sector to move into the private rented sector, which is an increasing trend and one which brings with it a disproportionate amount of issues around poor/unprofessional management. The Council feels that selective licensing could help mitigate the negative impact of such tenure shift. Whilst not all of the areas of both wards meet the thresholds for a high proportion of PRS or the criteria that the proposal is being considered against, the wards have been included for reason of coherence of the scheme. To omit one or two wards, which although not meeting the thresholds for the scheme still have significant levels of PRS and some of the issues relating to those properties, would be impractical and inequitable to the residents living in them.

The Council's existing licensing scheme for Houses in Multiple Occupation (HMOs) applies to the Bridge ward. The majority of Bridge ward still has a high proportion of PRS even when HMOs are excluded. The ward has above average antisocial behaviour. Large pockets of the ward also meet the criteria for significant property condition issues, high levels of crime and deprivation. The introduction of a selective licensing scheme in this ward would sit alongside and complement existing schemes and would capture the vast majority of private rented homes in the area.

2.5 As part of the evidence gathering exercise, The Project Team attended the monthly Neighbourhood Action Team (NAT) Meetings held for 19 of the City's 20 wards over the period June to July 2016. The meetings involved representatives from the Police, Community Protection, Nottingham City Homes (NCH) Housing Patch Managers and Family Services from NCC. The meeting were chaired by the local Neighbourhood Development Officer.

The aims of the attending the meetings was:

- To find out what issues are faced in different areas of the City in relation to the Private rented sector
- What impacts these issues have on neighbourhoods
- Look at how these issues could be addressed
- Explore what impact a licensing scheme could have on these areas, the City's private rented sector and the City in general.

In addition, an online survey was circulated to NAT attendees and their partners working in the area. Responses to the survey were received from 12 out of the 20 wards and of those that responded 85% reported that they have experienced problems or issues with the PRS in their ward. The most frequently cited issues related to ASB and poor property conditions. Other specific problems reported were fly tipping and untidy gardens.

2.6 The feedback gathered through the survey and NAT meetings offers a more tangible level of detail regarding the experience of issues with the private rented sector in the City. It also offers an insight into the exponential or exacerbating effects that unresolved issues can have, as well as the difficulties entailed with resolution and the pressures that these issues put on services. The evidence also highlights some direct

examples of where selective licensing would enable issues in the private rented sector to be more effectively and efficiently remedied. This in turn would reduce pressure on services, release precious resources, and allow improved standards to be maintained.

- 2.7 The Council is currently consulting on the proposed scheme. Details of the proposal, evidence to support it and the consultation can be found in the attached report “ Area Committee Report – Area 8”
- 2.8 The report seeks to demonstrate the outcomes the Council believes will be achieved by the introduction of this scheme and why making a selective licensing designation will significantly assist the Council to achieve its objectives and bring benefits to not only tenants but to the wider community. The proposed scheme of fits entirely with the Council’s vision that every neighbourhood is safe, clean and a great place to live.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 A number of other options were considered as part of the Executive Board Report dated 22nd November 2016. Overall it was concluded that existing initiatives and the exercise of available powers have not brought about the improvement in the City’s PRS which is needed and there is no practical and beneficial alternative to the proposed scheme.

4 FINANCE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)

- 4.1 The financial comments are as per in the Executive Board Report dated 22nd November 2016

5 LEGAL AND PROCUREMENT COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)

- 5.1 The legal and financial comments are as per in the Executive Board Report dated 22nd November 2016

6 STRATEGIC ASSETS & PROPERTY COMMENTS (FOR DECISION RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE) (AREA COMMITTEE REPORTS ONLY)

- 6.1 N/A

7 EQUALITY IMPACT ASSESSMENT

- 7.1 Has the equality impact of the proposals in this report been assessed?

No

An EIA is not required because:

(Please explain why an EIA is not necessary)

Yes



Attached as Appendix 1, and due regard will be given to any implications identified in it.

8 LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

8.1 None

9 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

9.1 Executive Board Report dated 22nd November 2016 Proposal for a Scheme of Selective Licensing for Privately Rented Houses