

Responses to Selective Licensing Recommendations 221012-33-1 to 221012-33-3

221012-33-1

To provide more detailed information on what the current scheme has achieved and the Value for Money indicators for the next scheme

See below consideration of value for money in terms of the current scheme however it would be remiss of officers not to clarify that a second scheme has as yet not been through the Council's approval process and no decisions have been made about proceeding with a second scheme.

Should a second scheme be approved by the Council in the future there is a second stage of confirmation by Secretary of State for the Department of Levelling Up, Housing and Communities (DLUHC) for the Council to undertake before any designation is made.

Value for money

The current scheme has made various improvements through continuous process review of operating the Designation. Areas improved and areas for further improvement have been identified in order to maximise intelligence which supports best value through improved performance management and measurement. Work is underway to prepare a revised set of robust performance measures which would provide assurance on the impact of Selective Licensing regulation and its legitimacy in being an effective tool in improving living conditions in the sector. Going forwards where possible quantitative financial impact will also be calculated once acceptable measures have been agreed with advice from Audit colleagues.

The scheme is entirely funded through a licence fee paid by landlords. Licensing funds approximately 80 staff within the selective licensing team: administrative staff, compliance and enforcement officers, managers and several support staff within the wider Council in IT, finance, legal, HR etc.

Licensing is not a transactional process; it is there to allow landlords to legally operate within the designated area and as such is not solely about providing a service to landlords, but about protecting tenants and regulating landlords. There are added benefits to landlords with a scheme in place including advice and guidance on what makes a safe house, monthly landlord newsletters, support for landlords dealing with difficult tenants, in particular ones causing ASB and support in homelessness prevention. The fee the Council proposes to charge along with comparison of a number of other local housing authorities fees is below on page 3.

Examples of the benefit and improvement of the current scheme to support the case for a second in terms of value for money are below:

- The team is now more efficient and effective in processing and determining licence applications, compared to the start of the current scheme. This continuous improvement is ensuring licences are issued within days and weeks as opposed to months, with process reviews and staff training being key to this.
- Through the licensing scheme landlords have improved their properties, evidence of which is in the scheme reviews provided in the May 2022 Executive

Board Report (and these improvements continue). Through landlord funded licence inspections these property improvements help provide a safer, more secure home for Nottingham citizens. Without the licensing scheme these improvements would not necessarily have been undertaken.

- By working with our accreditation partners DASH, Unipol and ANUK significant numbers of landlords have become accredited, evidencing that their properties meet a higher standard than the legal minimum. A proportion of these properties have been inspected by these providers, taking the burden away from the Council, offering value for money to the landlord with a lower licence fee and to the Council as it offers a lighter touch regulatory approach to these properties, reducing Council intervention.
- In 2019 the Council introduced a block licence application option for landlords meeting certain criteria. This option opened up a more cost effective, streamlined application process for landlords of blocks. This allowed a lower fee in certain circumstances and is a more efficient and effective model of licensing in relevant situations. It also offers increased regulation with the ability to require extra licence conditions of these properties, over and above those for individual licences, to ensure the on-going management of these properties.
- Through on-going, proactive compliance inspections of licensed properties the Council can contribute to the early detection and prevention of crime and exploitation for example by identifying and referring to the relevant authorities safeguarding concerns and concerns around exploitation and modern slavery. Without these officers inspecting properties, these cases may not have been brought to light, highlighting the additional benefits of the selective licensing scheme in being able to get behind the door. Being able to intervene proactively and positively allows the Council and its partners to deal with issues at an earlier stage before they become more significant.

The proposed pieces of work below will help support the Council's overall assessment of the impact of the Selective Licensing Scheme/s and Value for Money delivered:

- second stock modelling report to be undertaken in order to support process and impact review at end of scheme one and basis for benchmarking for scheme 2 (one was undertaken prior to commencement of scheme 1)
- social impact report to be undertaken to understand wider impact on Citizens and stakeholders
- revised performance framework to be implemented (underway)
- Software upgrade to be implemented for the whole of regulatory services in Communities Spring/Summer 2023 to streamline processes (underway)

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To monitor the impact on areas being removed from the scheme, and those not covered by the scheme, and provide information on what is done to ensure standards are maintained/met in those areas

The council will continue to monitor the number of housing complaints it receives across the whole area, including those outside the current scheme area.

The core housing function will be the main resource to support and deal with properties in these areas, so it is important this team is resourced sufficiently.

221012-33-3

To provide more detailed information on the different approaches to inspections by the Council and accredited partners, and how inspections may evolve in the second scheme

The Council will continue to undertake a range of different inspections targeted at different properties and landlords, with the aim of tackling the worst first. It is possible that these may evolve differently in any second scheme, working closely with accreditation partners to maximise the benefits of their inspections and also using available Council resources to good effect.

Comparison of Nottingham with other Council's accredited and standard individual licence fees

Nottingham (proposed)		30,700 homes in scheme
Description	Comments	Fee
Accredited	The proposed licence holder is accredited with the Nottingham Standard (Unipol, DASH or ANUK)	1 st Payment (Part A) £240 2 nd Payment (Part B) £428 Total £668
Standard	For non-accredited landlords	1 st Payment (Part A) £280 2 nd Payment (Part B) £600 Total £880

Oxford		30,500 homes citywide
Description	Comments	Fee
Accredited		1 st Payment (Part A) £178 2 nd Payment (Part B) £102 Total £280
Standard		1 st Payment (Part A) £178 2 nd Payment (Part B) £302 Total £480

Liverpool		45,000 homes
Description	Comments	Fee
New rental property and landlord membership	Must be a member of one of at least one of a number of landlord associations	1 st Payment (Part A) £178.60 2 nd Payment (Part B) £201.40 Total £380
Standard		1 st Payment (Part A) £181.50 2 nd Payment (Part B) £368.50 Total £550

Birmingham Starts June 2023		40,000 to 50,000 homes
Description	Comments	Fee
Accredited	Not available	n/a
Standard		1 st Payment (Part A) £295 2 nd Payment (Part B) £405 Total £700

Leicester		9,000 homes
Description	Comments	Fee
Early bird 10% discount (Accredited)		1 st Payment (Part A) £784.80 2 nd Payment (Part B) £196.20 Total £981
Standard		1 st Payment (Part A) £872 2 nd Payment (Part B) £218 Total £1,090
Late Penalty		1 st Payment (Part A) £1,032 2 nd Payment (Part B) £258 Total £1,290

Gedling Borough Council		664 homes (phase 2)
Description	Comments	Fee
Accredited	The proposed licence holder is accredited	1 st Payment (Part A) £430 2 nd Payment (Part B) £155 Total £585
Standard	For non-accredited landlords	1 st Payment (Part A) £520 2 nd Payment (Part B) £180 Total £700