

Selective Licensing Scheme Expansion Proposal



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Contents

Selective Licensing Consultation- Summary	3
What is proposed?	3
How can I have my say?	3
Background	5
Legislation	7
Contribution to Other Priorities	9
Housing Strategy	9
Stock condition survey	10
Empty Properties	10
Waste and overgrown gardens	10
Anti Social Behaviour	11
Advice and training	11
Homelessness	11
Consideration of alternative measures	12
Proposal	15
What is selective licensing?	15
Why is selective licensing being proposed?	15
What areas will selective licensing cover?	16
Who would need a licence?	17
Exemptions	17
Fee structure Amount	18
Penalties for non-compliance	19
Licence Conditions	20
Review of the Scheme	20
Appendix 1- Evidence Base	22
Poor Property Conditions	22
Appendix 2 – Ward Maps	27
Appendix 3- Selective Licensing Scheme Conditions	30

Selective Licensing Consultation- Summary

What is proposed?

East Staffordshire Borough Council is proposing to expand selective licensing and designate several streets within the borough as selective licensing areas under section 80 of the Housing Act 2004. The proposed areas include Shobnall Street, Waterloo Street, Goodman Street, Branston Road and Uxbridge Street located within Anglesey, Burton, Eton Park and Shobnall wards.

Local authorities have a discretionary power to designate an area for selective licensing if certain legal tests are met. Once designated, all privately rented homes within the area must be licensed with the council (unless exempt). Selective licensing does not apply to owner-occupied or housing association properties. Each licence requires landlords to comply with a range of conditions designed to ensure good property and management standards. It is proposed that the designation would start in 2020 and last for five years, with a review being undertaken annually to monitor the success of the scheme.

The proposed areas have been identified with poor property standards and poor management, which is often linked to low housing demand, high levels of anti social behaviour and crime, and high deprivation. In particular these streets have the highest amount of housing related complaints within East Staffordshire with the proportion of rented properties being higher than the national average and the average for East Staffordshire.

Selective licensing provides additional powers to help the Council proactively manage and improve poorly management private rented properties in the area providing an overall improvement in living conditions. This should lead to a better quality of life for residents in all tenures.

How can I have my say?

The Council wants your views and comments on this proposal. This document explains the background evidence to support a selective licensing scheme in East Staffordshire, the proposed details of the scheme and how it would work in practice. The Council invites comments in response to this consultation from all stakeholders including tenants, local residents, landlords and agents and businesses.

A ten week public consultation will run from 20 January 2020 to 30 March 2020. You can reply online at www.eaststaffsbc.gov.uk to have your say or email selectivelicensing@eaststaffsbc.gov.uk. Alternatively you can write to us at:

East Staffordshire Borough Council
Town Hall
King Edward Place
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A final decision as to whether to make a selective licensing designation, or not, will only be made after the council has carefully considered all the responses received during the consultation.

Background

The private rented sector accounts for 13.8% of the Housing stock (Census 2011) and has doubled from 6.95% ten years ago (Census 2001). Whilst this figure is below the national average (19%) the proportion of rented accommodation is a lot higher in certain areas of the borough.

The private rented sector is an important part of the housing stock as it provides homes for a variety of residents at different stages in their housing pathway, including aspiring first-time buyers, people who enjoy the flexibility of short tenancies, those unable to access social housing and those who are supported into the sector to prevent them from becoming homeless.

However, this steep growth in the private rented sector presents a number of challenges relating to housing quality, management and the limited security of tenure.

The council receive over 230 complaints a year about poor housing conditions, overcrowding and properties that are used as houses in multiple occupation (HMOs). The majority of complaint investigations identify serious poor property conditions which impact on the health, safety and wellbeing of the occupants. Whilst the council have enforcement provisions to deal with poor property conditions, these can be lengthy procedures and are also dependent on a tenant making a complaint to the council about their accommodation in the first instance. This means that tenants are often living in poor conditions until a complaint is made and action taken to rectify the situation. Tenants are often scared to complain due to fear of eviction and harassment, leading to unreported complaints.

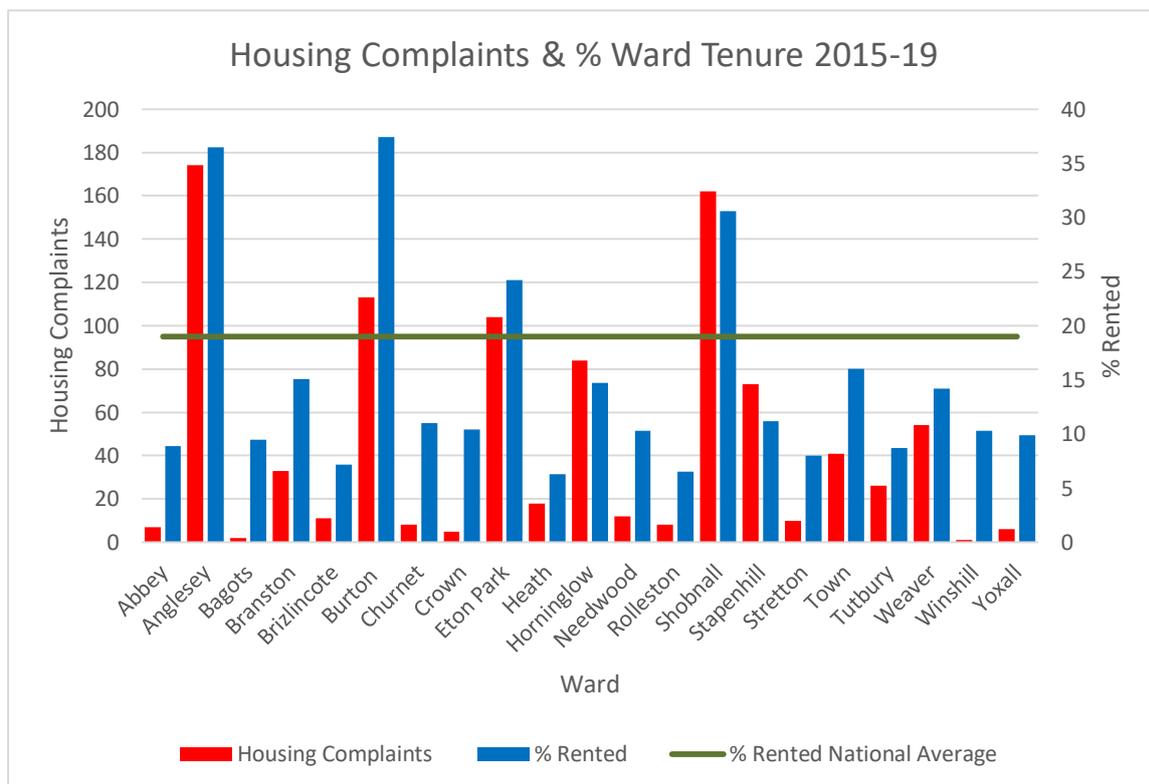
Further issues identified in these areas are numerous; tenants often do not hold a tenancy agreement and do not know who the landlord is; similarly landlords do not undertake tenancy checks and do not actively manage the property or tenants should they cause problems such as anti social behaviour. Properties tend to be in the poorest physical conditions with poor and sometimes non-existent management standards.

When privately rented accommodation is neglected or poorly managed the impact on tenants who live in the properties and the local community can be considerable. This, combined with a transient population with little or no connection to an area often leads to an increase in anti-social behaviour and crime. Areas that have a high level of rented accommodation correlate with high levels of complaints for property conditions, antisocial behaviour and crime. They tend to be areas with a high number of empty properties, high turnover of residents and are known by locals as less desirable places to live.

In 2017 East Staffordshire Borough Council designated an area of Anglesey Ward as a Selective Licensing area to improve the condition and management of privately rented accommodation. The first two years of the scheme have demonstrated ongoing

compliance with the licensing requirements of the scheme with the majority of properties being granted a licence. Following its implementation, the number of complaints from properties within the selective licensing area have halved, with many tenants reporting that landlords were improving properties and undertaking disrepair works that had previously been reported.

Whilst selective licensing has significantly reduced the number of housing complaints in the designated area the number of complaints about properties located in Anglesey, Burton, Eton Park and Shobnall wards have remained high, accounting for over 50% of all complaints within the borough. The graph below highlights this trend by comparing the number of complaints received per ward. The % rented accommodation is included along with a comparison for the national average.



Selective licensing aims to address these issues by proactively inspecting all properties within the designated licensing areas to improve the management and condition of properties in the private rented sector, which will in turn reduce crime and antisocial behaviour resulting in an improvement in housing demand.

The scheme will contribute to the provision of a strong, healthy and vibrant private sector housing market that offers security, stability and decency to tenants and landlords.

Legislation

The Housing Act 2004 enables Councils to use selective licensing as part of a wider set of measures to enable landlords to provide good quality housing within their communities and to assist in addressing issues of anti –social behaviour, crime and low demand within the areas.

If selective licensing is introduced all private landlords and agents who own or manage residential property in the designated areas would be legally required to apply for a licence. In order to become a licence holder a landlord or agent would have to meet certain standards.

Selective licensing is a discretionary licensing scheme that the Council is proposing to introduce in designated areas of East Staffordshire to improve conditions for tenants and the local community.

In order to introduce selective licensing the council must demonstrate that an area has a high level of privately rented housing accommodation and that one or more of the following criteria are met:

- That the area is suffering from, or is likely to become, an area of **low housing demand**; and that the scheme will result in improvements of the social and economic conditions of the area.
- That the area is suffering from **anti-social behaviour** and that private sector landlords and agents are failing to manage their properties so as to combat incidences of anti social behaviour caused by their tenants; and that making the designation will, when combined with other measures taken by the Council, lead to a reduction in or elimination of anti-social behaviour.
- That the area is suffering from **poor property conditions** in significant numbers to adversely affect the character of the area and/or the health and safety of their occupants and that the delegation will enable the prioritisation and proactive enforcement action whilst ensuring through licence conditions that properties are properly managed to prevent further deterioration.
- That the area has a high **level of migration** involving the movement of people both within a country and from overseas. The designation may be made, as part of the wider strategy, to preserve or improve the economic conditions of the area to which migrants have moved and ensure people occupying private rented properties do not live in poorly managed housing or unacceptable conditions, including overcrowding.
- That an area has **high levels of deprivation**, and that by making the scheme, together with other measures, there will be an improvement to housing conditions within the private rented sector in that area.
- That an area has **high levels of crime**, for which there has been a noticeable increase in crime over a relatively short period, and/or the area has a crime rate that is significantly higher than the national average.

In considering whether to designate an area for Selective Licensing on the grounds set out above the local housing authority may only make a designation if the area has a high proportion of property in the private rented sector. An area is considered as 'high' if the proportion of private rented stock exceeds the national average which is currently 19%.

Contribution to Other Priorities

For selective licensing to be fully effective in tackling the issues within an area it is imperative that it supports the councils priorities and complements other policies designed to address homelessness, empty homes, and anti social behaviour to provide a broad approach.

Housing Strategy

A proposal to introduce a selective licensing designation must be consistent with the Councils Housing Strategy. The Council's Housing Strategy 2015-2020 identifies the housing needs in the Borough to inform and guide ongoing engagement and future investment by other stakeholders.

The Housing Strategy recognises that the contribution of housing to people's health is substantial and the Housing Strategy therefore has a significant role in promoting good health. The housing problems that are typically recognised as detrimental to health include overcrowding, damp, excess cold, and risk of accidents and injuries.

These issues can have negative effects on occupiers' illness and even their life expectancy. There are also knock-on effects in terms of people's economic success and the social and financial costs to society.

The Council has had a long-standing desire to improve housing in the Inner Burton wards of Anglesey, Burton, Eton Park and Shobnall. Inner Burton provides valuable housing for large numbers of households. However the area contains a large amount of housing which is over 100 years old and resulting concentrations of poor housing conditions. It also contains a concentration of private rented housing and consequential lower levels of owner-occupation.

Private rented housing is now the second most common tenure in the Borough. The Council is active in seeking to secure a good quality supply of private rented housing. The Borough has seen significant investment by landlords in properties for rent which provides a valuable supply of housing. Most landlords are responsible and fulfil their responsibilities promptly. However, there are a significant number of landlords who need advice and support. The housing strategy recognises the following issues and challenges:

- A large proportion of landlords are private individuals who own a small number of properties.
- Many landlords are 'accidental' landlords who have decided to keep property rather than selling it at a loss following a decline in property prices. Sometimes, because they have not made a positive choice to become landlords, there is additional reluctance to understand all their responsibilities in law.
- Short term lets lead to a lack of security for tenants, discourages them from commitment to the local area, and leads to community instability.
- There is particular concentration of rented housing in Inner Burton

In recognising the issues surrounding private rented accommodation the housing strategy acknowledges that targeting additional pro-active enforcement on properties owned by landlords with a poor record of compliance could reduce these problems.

An action has therefore been identified to consider targeted pro-active enforcement. The proposal to designate a selective licensing scheme is therefore consistent with the council's current housing strategy.

Stock condition survey

The Housing Stock Model Strategy for Private Housing 2014 provides the basis for the Council's approach to improving the quality of private sector housing and identifies the parts of the Borough most in need of housing improvements.

The specific outcomes of the stock model survey and subsequent Housing Stock Model Strategy provide evidence for the selective licensing proposal and are detailed within the evidence base for poor property conditions in appendix 1.

Furthermore the strategy has identified a number of potential initiatives that may be used to improve housing standards which are included in an action plan which this scheme supports. These include:

- Targeted campaign aimed to raise awareness of landlords responsibilities for private rented housing
- Targeted initiative for unlicensed HMOs to improve compliance with housing legislation
- Improve relations with landlords and increase awareness of landlord, letting agent and tenant responsibilities and rights
- Develop and implement a project for improving the quality of housing in the Anglesey ward.
- Deliver improvement measures to the 75 dwellings in the poorest COA (Census Output Area) for Disrepair

Empty Properties

Empty properties are addressed in the Housing Strategy which identifies actions that should be considered to bring empty properties back into use. Specifically the Council is committed to introduce measures to facilitate the Registered Social Landlord purchase of empty or dilapidated properties, which will increase the amount of housing available on the housing register. As the areas identified within this proposal have a high proportion of empty properties, this scheme will support the Council's proactive approach to reducing the number of empty homes in the area.

Waste and overgrown gardens

Waste management problems are a significant issue in areas of East Staffordshire. Enforcement officers responsible for untidy gardens and waste enforcement liaise closely with Environmental Health to provide a coordinated response to waste issues as they arise. While selective licensing conditions cannot deal with every waste problem, there are situations in which they can provide an effective means of

achieving a successful outcome. The financial penalties associated with selective licensing tend to be more significant than traditional waste enforcement notices; as such, joint enforcement activities can be more persuasive and lead to quicker resolutions.

Anti Social Behaviour

The Anti Social Behaviour Policy sets out how East Staffordshire Borough Council will work to effectively manage and resolve reports of anti-social behaviour; building upon the partnership work already operating across the Borough with the Community Safety Partnership, and ensuring together that efforts continue to reduce anti-social behaviour and provide every member of the community, with the highest possible standard of service.

Anti-social behaviour is a broad term used to describe a range of nuisances, disorder and crime that affect people's daily lives. It covers many types of behaviour that vary in nature and severity, many of which are open to interpretation. Thus what is considered anti-social by one person can be acceptable to another. Issues that could constitute as anti-social behaviour include noise nuisance, intimidation and/or threatening behaviour, littering or fly-tipping, vandalism, graffiti and other deliberate damage to property or vehicles, using or dealing drugs, street drinking, rowdy behaviour in public, abandoned or burnt out cars, neighbour disputes.

The aim of the policy is to deliver a consistent approach, to reduce instances of anti-social behaviour and the numbers of people who are involved in or at risk from anti-social behaviour (both victims and perpetrators). Where anti-social behaviour does occur, the policy notes the commitment to putting the victim first, particularly if they are vulnerable or a repeat victim.

The policy commits to tackling problems where anti-social behaviour is occurring; this scheme identifies areas where anti social behaviour is a particular issue and works towards reducing instances by ensuring, through licence conditions, that landlords deal with tenants that are known to be causing anti social behaviour.

Advice and training

The Council has a Landlord Relationship Manager who provides advice and assistance to landlords on their legal responsibilities. As part of this role the council facilitate a Landlord Forum which provides regular circulars and newsletters for landlords. Since the introduction of Selective Licensing in 2017, the number of landlords attending the landlord's forum has increased, providing ongoing advice and guidance on the scheme to work towards improving landlord's awareness on housing responsibilities.

Homelessness

The Homelessness Strategy covers the Council's approach to preventing and relieving homelessness in the Borough. In a review of the main causes of homelessness, the ending of private rented tenancies including for rent arrears was identified as one of the main causes. The main aims of the service are to avoid and

prevent homelessness and make available accommodation. Access to private rented sector accommodation is a key factor in preventing homelessness and to achieving move-on from emergency accommodation. This scheme, if introduced, will result in the provision of private rented accommodation that meets a decent standard to be used by prospective tenants.

Homelessness is often a concern in relation to the introduction of selective licensing schemes, however, Shelter have produced a good practice guide, which explains that it can actually reduce homelessness, both by providing tenants with more secure tenancies and also by preventing retaliatory evictions caused by tenants complaining about the conditions of their accommodation. Selective licensing will also provide tenants with additional protection from eviction, as a landlord may not serve a notice to quit under section 21 of the Housing 1988 in respect of an unlicensed property.

Housing options officers and environmental health officers will routinely work together to prevent homelessness whenever possible so that selective licensing does not, for whatever reason, contribute to unnecessary evictions.

Consideration of alternative measures

The Housing Act 2004 provides the Council with a range of tools to deal with poor housing conditions including anti-social behaviour and poor management practice. Prior to making a designation to introduce a selective licensing scheme, alternative tools are required to be considered alongside selective licensing to determine whether there are other effective methods that achieve the same objectives, and are detailed below:

- **Special Interim Management Orders** are a tool that the Council may use to remove rogue landlord responsibilities and to address anti-social behaviour. This tool transfers the management of a property to the Council for a period of up to twelve months and can only be made if approved by the First Tier Tribunal (Residential Property). These are often made if there is anti-social behaviour emanating from the property, the landlord is failing to take action to deal with the problem, and an order is necessary to protect the health, safety or welfare of persons occupying or visiting the house. These orders are successful to combat isolated problems; however, given the number of properties that this scheme proposes to address, they are not a feasible alternative to selective licensing. It may be deemed a heavy handed approach and would undermine the current efforts to work with landlords to improve the standards of their properties. Selective licensing provides an opportunity to forge partnerships with landlords, improving standards, which the use of these orders will not facilitate. The use of special interim management orders will however be considered as an enforcement sanction to deal with non compliant landlords and will be considered in line with the Housing Enforcement Policy

- **Empty Dwelling Management Orders** are a tool that the Council may use to ensure that empty dwellings become, and continue to be occupied. This can only be achieved with the consent of the proprietor and confirmation from the Residential Property Tribunal. This transfers responsibility to the Local Authority to ensure that the property is occupied. These orders are successful to combat isolated empty properties, but would be a large burden on the local authority given the number of vacant properties within the area that has been proposed. It would not resolve any issues in relation to poor property conditions of occupied properties and would undermine current efforts to forge relationships with landlords in the designated area. The use of empty dwelling management orders will however be considered as an enforcement sanction to deal with non compliant landlords and will be considered in line with the Housing Enforcement Policy
- **Demolition Orders and Clearance Orders** are tools that may be used to remove individual properties or groups of properties that have category 1 hazards or are harmful to health. Prior to using these tools the Local Authority must have regard to the long term demand for residential accommodation in these areas and the density of dwellings within the area. Considering these factors, these options are not suitable for the proposed area due to an overall demand for residential accommodation with East Staffordshire and due to the average type of housing being terraced properties.
- **Additional Licensing of houses in multiple occupation (HMOs)** is a tool similar to the selective licensing of private rented accommodation but specifically covers houses in multiple occupation and requires them to obtain a licence. The option is suitable if a significant proportion of the houses in multiple occupation to be included are being managed ineffectively to give rise to problems such as anti-social behaviour. This option involves a coordinated approach similar to selective licensing but it will not resolve any issues within private rented accommodation that is not in multiple occupation. As the majority of all housing complaints (both in relation to multiple occupation and single occupation) are within the proposed designated area this option is deemed less suitable in comparison to selective licensing, as selective licensing applies to all types of private rented accommodation including houses in multiple occupation (that do not fall within the mandatory licensing regime).
- **Private Landlords Accreditation Schemes** give recognition to private landlords who offer good-quality, private rented accommodation. The schemes improve and promote the public image of the private rented sector and improve liaison and communication between landlords and local authorities, providing tenants with confidence in the quality and management of the accommodation they are renting. Accredited properties are those that have been inspected by an accreditation officer, who has certified that they meet the requirements of the schemes code of standards, and verified the management standards and practices. As this is a voluntary scheme it is reliant on landlords signing up to the scheme. It is therefore not suitable to

resolve the issues in the proposed designated areas. It is however a useful tool that should be recognised and offered alongside the selective licensing scheme to encourage and promote landlords that proactively improves the standards of their properties. It is therefore proposed that landlords accreditation schemes will be signposted and recommended alongside the proposed selective licensing scheme.

Each of these tools work towards resolving low demand, anti social behaviour, poor management practices and poor housing conditions, however they do not provide a strategic response to improving the broader issues within the private rented sector in the designated area. The proposed selective licensing scheme targets a broad range of issues affecting an area simultaneously by using a suite of measures designed to achieve the objectives of the scheme.

Proposal

What is selective licensing?

Selective licensing is a tool that applies to private rented homes which can be used by the Local Authority to tackle problems in areas or parts of an area caused by poor property standards, anti social behaviour, low housing demand, migration, deprivation and or high levels of crime. If introduced it means that landlords who rent out properties in an affected area are required to obtain a licence from the council for each of their properties within the designated area.

Why is selective licensing being proposed?

The Council acknowledges that many landlords provide decent well-managed and well maintained accommodation, which does not cause any problems for the local community. There are, however, high proportions of properties that are poorly managed and maintained, suffer from overcrowding, or provide unsafe accommodation. These properties are often concentrated together in areas of Inner Burton, which have high proportions of rented accommodation and also suffer high rates of anti-social behaviour and crime. Collectively these areas have a negative effect on the local area.

The problem of poor quality rented housing, anti-social behaviour and unscrupulous landlords can have a detrimental effect on the local community. This combined with high crime rates can cause people to move out of the area resulting in empty properties which are either left or bought by speculative landlords. These landlords often have no interest in the community and little knowledge of housing standards, renting to tenants who are not vetted with no tenancy agreement, leading to further anti-social behaviour and poor property management.

Selective Licensing is designed to benefit the local community and ensure that all private rented properties within the designated areas are managed to a satisfactory standard. Private sector tenants are often reluctant to report problems in their homes as they may be concerned about being evicted by their landlord. One of the major benefits of this scheme is that the council proactively inspects all properties in the area to ensure suitable housing conditions, removing the pressure on tenants to complain and reducing the likelihood of eviction and homelessness. The improvements made to private rented accommodation will ensure homes are safe and free from serious hazards which will have a positive impact on the health of the tenants. The following benefits are anticipated:

- Higher standards of management by ensuring landlords and agents are clear about their responsibilities
- Better housing conditions and a reduction in overcrowding
- Improved image and perception of the area making it a more desirable place to live
- Improved ability for landlords to deal with rogue tenants
- Reduction in crime and anti-social behaviour

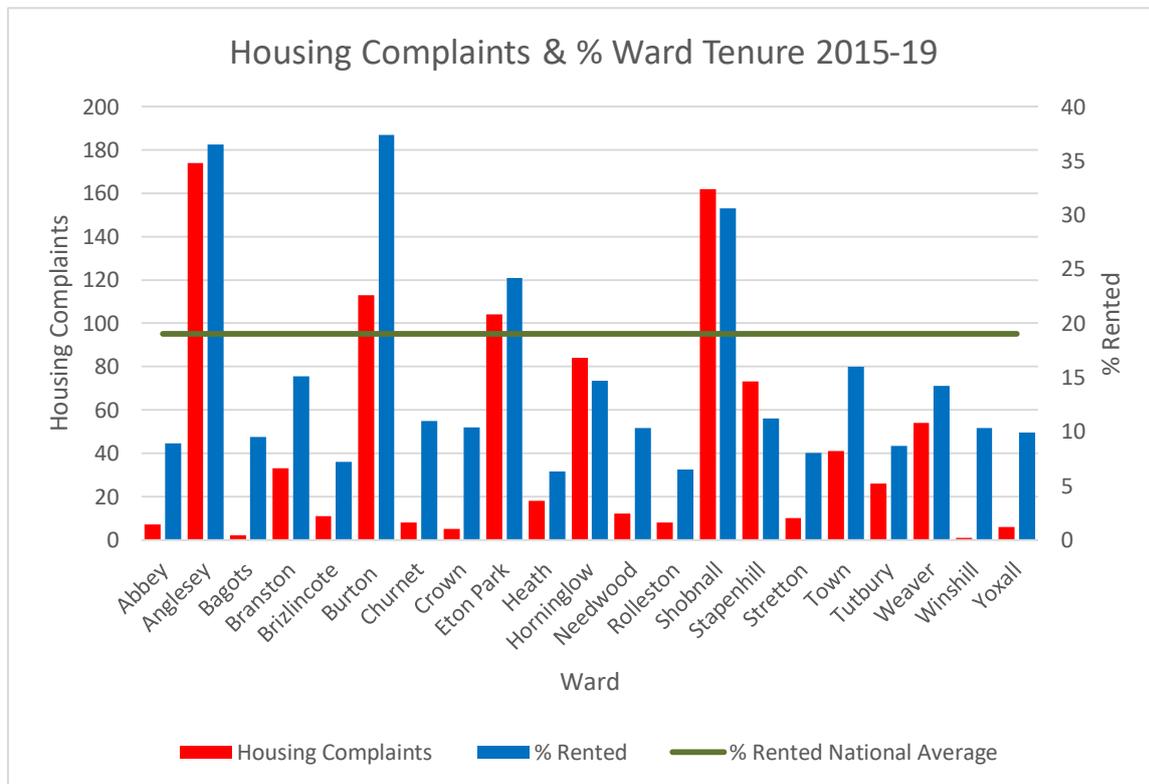
- Improved waste management/reduction in overgrown gardens
- Increased number of landlords that are part of an accreditation scheme

What areas will selective licensing cover?

Areas proposed for selective licensing must have a high level of private rented housing. The average level of private rented accommodation is 19% and the criteria used to demonstrate a 'high level' is for an area to have above average levels.

Ward data has been analysed for the number of housing complaints and the percentage of private rented accommodation. Four wards; Anglesey, Burton, Eton Park and Shobnall exceed the national average for rented accommodation (19%) and have been considered for selective licensing.

Wards that do not exceed the national average for the proportion of private rented accommodation do not meet the criteria for selective licensing and it is therefore not possible to consider these areas for the scheme.



All 4 wards were assessed against the criteria for selective licensing which is detailed in Appendix 1.

Through extensive analysis of the data held on the above wards against the criteria for selective licensing, 5 streets within ; Anglesey, Burton, Eton Park and Shobnall wards have been identified as the most suitable areas in which to designate a selective licensing scheme; these include:

Street Name	Ward
Branston Road	Anglesey & Burton
Goodman Street	Eton Park
Shobnall Street	Shobnall
Uxbridge Street	Anglesey & Burton
Waterloo Street	Shobnall

These streets contain 1296 properties, with an anticipated 496 properties that are privately rented and subject to selective licensing.

Who would need a licence?

If the proposed areas are designated as a selective licensing scheme then all properties let by private landlords must have a licence. A licence holder can be the owner or an appropriate person designated by the owner, e.g. a managing agent.

All landlords would need to check if their property(s) are required to be licensed and must submit a valid application for each property they let out within the designated area. Each application would need to be accompanied by:

- A fully completed application form
- Identification
- A copy of the current gas safety certificate
- A copy of the signed tenancy agreement
- The correct fee
- A copy of the membership for the specified accreditation scheme

Each applicant must demonstrate that they are a **fit and proper** person as part of the licence application and that they have satisfactory management arrangements in place for the property. This will involve providing identification and a declaration to confirm your status with regards to criminal offences. The Council will take into account any evidence that the person applying for the licence has any previous convictions relating to violence, sexual offences, drugs or fraud; whether the proposed licence holder has contravened any laws relating to housing or landlord and tenant issues; and whether the person has been found guilty of unlawful discrimination practices. Where the Council require further evidence to prove that an applicant is 'fit and proper' they may request a DBS if deemed appropriate.

Exemptions

Exemptions are listed under the Selective Licensing of Houses (Specified Exemptions) (England) Order 2006. These include properties managed by a housing association, tenancies under long leases, buildings regulated by other legislation etc. If in doubt you should seek independent legal advice.

A property can also be exempted under a temporary exemption notice for a period of 3 months. The council may issue a temporary exemption notice on written request of the owner/licence holder if they are satisfied that the proposed owner/proposed licence holder is taking steps to ensure that the status of the property will be changing within the exemption period and that it would not be required to be licensed thereafter.

Fee structure Amount

Each private rented property within the designated area will need a licence, which will run for up to 5 years. Each licence application is subject to a fee, as detailed below. The costs have been determined to only cover the costs associated with running the scheme and will be ring fenced for this purpose. The fees will be reviewed annually by the council.

Type of Application	Fee
Application for a new licence for a single property	£466
Application for a licence for a HMO not subject to mandatory licensing	£569
Discounts (which may be applied to the above). These discounts are cumulative and more than one may be applied, if relevant.	
<p>Introductory Offer</p> <p>This discount will only apply where a valid application for a new licence is submitted within 6 weeks of a scheme coming into force. Alternatively, within 6 weeks of a property becoming licensable due to a change of tenure.</p>	£100
<p>Accredited Landlord Discount</p> <p>This discount may only be applied where the proposed licence holder is a member of a nationally recognised landlord accreditation scheme.</p> <p>In order to verify the accredited status of an applicant the scheme provider will be contacted for confirmation.</p>	£50
<p>Multiple properties</p> <p>This discount applies where 2 or more applications are submitted at the same time, and is applicable for the cost of the second and subsequent applications.</p>	£50

The fee structure represents the amount of time the council will spend processing the application. A discounted fee is available for landlords that are an accredited member of a nationally accredited landlords association or is managed by an ARLA

accredited agent. This is available for the first 3 months of the scheme or for any property thereafter that is being rented for the first time.

The fee covers the cost to the council in processing the application, issuing the licence and providing guidance to landlords to ensure their properties are safe and free from category 1 hazards.

This approach has been adopted to provide landlords with the opportunity to improve their properties through information and guidance and to ensure that the scheme is not overly burdensome for responsible landlords. This ensures that the scheme targets non-compliant landlords that are not effectively managing the properties that they provide for private rented accommodation.

Penalties for non-compliance

There are a number of penalties associated with non-compliance with selective licensing-

Prosecution- there are two offences associated with selective licensing:

- Failing, without reasonable excuse, to obtain a licence for a property which is required to be licensed. The offence is committed by the person having control of and/or the person managing the premises.
- Failure of the licence holder and/or manager to comply with the licence conditions, without reasonable excuse.

A person committing either type of offence is liable on summary conviction to an unlimited fine. Any enforcement action would be taken in accordance with the Housing Enforcement Policy.

Civil Penalties- As an alternative to prosecution a financial penalty can be issued for the above two offences. Local authorities must have sufficient evidence to initiate a prosecution but rather than prosecute the local authority can issue the liable person with a financial penalty of up to £30,000. The liable person has a right of appeal through the First-Tier Tribunal (Property Chamber - Residential Property).

Restriction of terminating tenancies- No section 21 notice (Housing Act 1988) may be served on a tenant in respect of an unlicensed property.

Rent Repayment Orders- In certain circumstances, the council or a resident may make an application to the First Tier Tribunal for a rent repayment order. If a property is licensable and the council is of the opinion that an offence has been committed owing to the failure of the person having control of/or managing the premises to make a valid application, the council may make an application for a rent repayment order concerning the repayment of housing benefit monies paid in respect of an unlicensed property. This can relate to period of up to 12 months.

Interim and Final Management Orders- The council has powers to make interim and final management orders in relation to unlicensed premises. These enable the

council to take control of the residential premises to which the order relates and is often used as a last resort.

Licence Conditions

The proposed scheme would tackle specific problems by applying conditions to all licences which relate to the management of the property and are a mixture of mandatory and local conditions. A list of the mandatory and proposed licence conditions are in Appendix 3.

The council believes that such licence conditions are not onerous, and that good landlords are unlikely to find that their practices need be changed.

All conditions will be monitored through compliance visits carried out during the period of the licence to ensure that they are being complied with.

Review of the Scheme

If the scheme is adopted the Council will undertake an annual review of the operation of the selective licensing scheme along with an annual review of the licence fees.

Selective licensing is about improving management standards in the private rented sector where those standards are sorely needed to be improved, for the benefit of occupiers and the wider community. Therefore the council will regularly review and monitor the designation to measure whether it is having the desired effect and achieving its aims and objectives. The following statistics will be collated on a monthly or annual basis:

- Number of licences applications received
- Number of licenses Granted or Refused
- Number of licenses revoked
- Number of temporary exemptions
- Number of licenses varied
- Number of Cat 1/Cat 2 hazards identified
- Review of anti social behaviour incidences
- Review of number of vacant properties
- Review of complaints regarding overgrown gardens/rubbish
- Review of enforcement action taken including:
 - Number of notices served
 - Number of management orders implemented
 - Number of prosecutions

Should the review indicate that the designation has worked and the issues that it intended to resolve have been resolved then the local authority may consider that the designation is no longer needed and may be revised or revoked. Alternatively if a designation is failing to tackle the issues then the designation should be revised or revoked and alternative measures may be considered to address the issues. Consideration will also be given to the possibility of extending the scheme into other

areas of East Staffordshire, for which a further period of consultation will be undertaken.

It is appreciated that selective licensing is a long term strategy that will not necessarily provide instant results, and may also need to be broadened within its operation to cover and tackle similar issues within adjoining areas.

Appendix 1- Evidence Base

For a council to introduce a selective licensing scheme, the criteria as set out in the Housing Act 2004 and regulations made thereunder must be met. 'Selective licensing in the Private Rented Sector – A Guide for Local Authorities' published by the DCLG in March 2015 sets out the criteria for making a selective licensing scheme and suggests the type of evidence needed to support a designation.

The designation is proposed with a focus on improving housing conditions and therefore the evidence base has focused on this criteria for areas that exceed the national average for the proportion of private rented accommodation- Anglesey, Burton, Eton Park and Shobnall Wards. Only one test needs to be proved to make a designation lawful. This appendix outlines the key evidence that supports the proposed scheme.

Poor Property Conditions

Local housing authorities can address poor property conditions through their powers in Part 1 of the Act, which are extensive. However, the local authority may consider it appropriate to make a selective licensing scheme where there are significant numbers of properties which are in poor condition and are adversely affecting the character of the area, and/or the health and safety of its occupants. This enables enforcement action to be prioritised under Part 1 of the Act, whilst ensuring through licence conditions under Part 3 that the properties are properly managed to prevent further deterioration.

The following factors should be considered to help determine whether there are poor property conditions in their area:

- The age and visual appearance of properties in the area and that a high proportion of those properties are in the private rented sector;
- Whether following a review of housing conditions the authority considers a significant number of properties in the private rented sector need to be inspected in order to determine whether any of those properties contain category 1 or 2 hazards.

The council receive a high amount of complaints regarding private rented properties each year, which are assessed under the Housing Act 2004 using the Housing Health and Safety Rating System to carry out statistical based risk assessments on dwellings. It focuses on identifying and tackling the hazards that are most likely to be present in housing and most likely to impact on the health and wellbeing of the occupants. Its intention is to make homes healthier and safer to live in. The system considers 29 separate hazards which are assessed separately, and if judged to be serious with a high score, is deemed to be a category 1 hazard. All other hazards are called category 2 hazards. If a category 1 hazard is identified in a home, it has a duty to take the most appropriate action.

Within the last 4 years a total of 952 complaints have been received relating to poor housing conditions within East Staffordshire. Of those complaints 553 were about properties within Anglesey, Burton, Eton Park and Shobnall Wards, equating to 58%. The table below shows the proportion of private rented properties and the number of complaints received in the last 4 years for each ward:

Ward	Proportion of Private Rented (Total Properties)	Total Housing Complaints (2015-2019)
Anglesey	36.5% (962)	174
Burton	37.4% (650)	113
Eton Park	24.2% (605)	104
Shobnall	30.6% (896)	162
Total		553
All Wards		952

In April 2014 East Staffordshire Borough Council commissioned BRE to undertake a dwelling level private sector housing stock modelling exercise to provide information on key housing and energy variables. The information is derived from a series of models which make use of Experian UK Consumer Dynamics Database using a range of statistical measures. This report focuses on private sector housing and the rate of Category 1 Housing Health and Safety Rating Hazards found in the stock providing information to enable resources to be targeted at areas in need of intervention. The Stock Modelling report was later incorporated into a Housing Stock Model Strategy for Private Housing in 2014 for which an action plan was developed identifying short term Environmental Health targets and potential future targets which would seek to address areas of growing concern, highlighted by the Model database.

The Stock Model provides three criteria for HHSRS (Housing Health and Safety Rating System); Total Category 1 Hazards and then totals specifically for Excess Cold and for Falls. The HHSRS means that when an Officer inspects a dwelling they are looking for any risk of potential harm to the occupier, when a property has been determined as having a Category 1 Hazard then the Council is legally required to take enforcement action due to the seriousness of the Hazard.

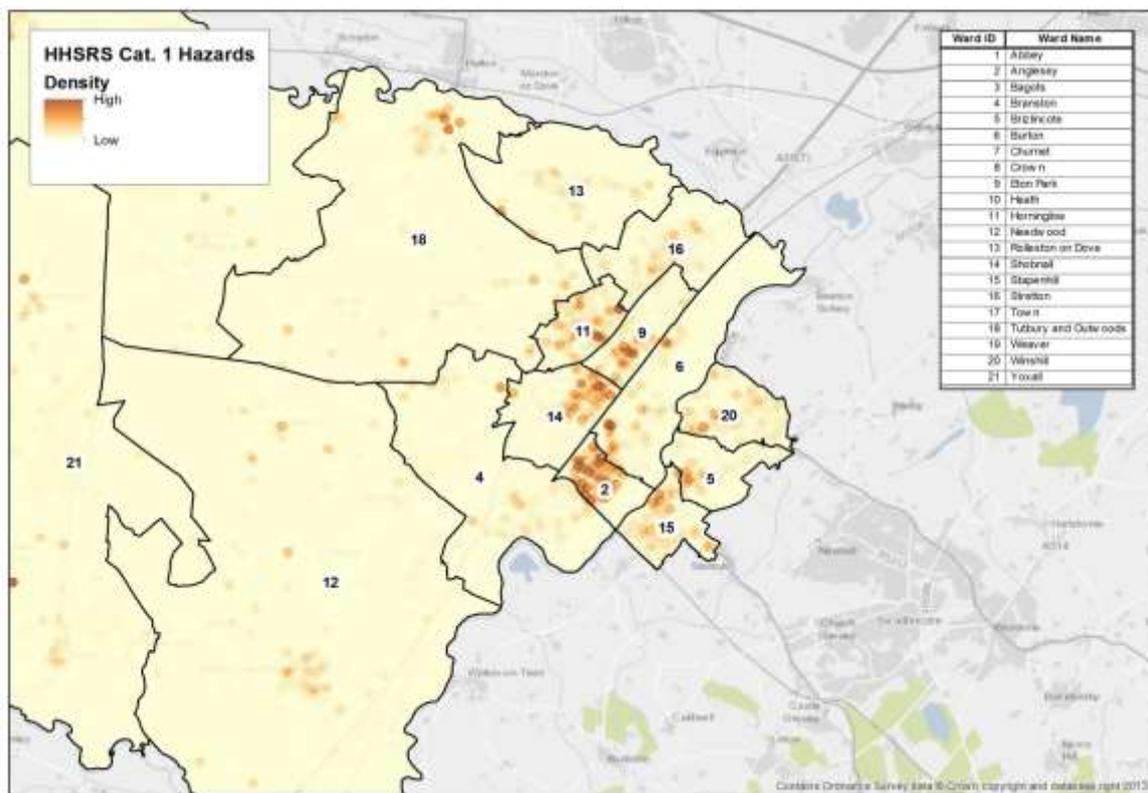
Since Category 1 Hazards identify the most serious of problems in any given dwelling, they often form the basis for a number of other housing standards issues. As a result, taking enforcement action to improve a problematic property for one or more Hazards can result in an improvement for another issue. Therefore, it is essential that any improvement related action is conducted with the aim of resolving as many issues in the property as possible.

The table below represents the percentage of the total HHSRS Cat 1 hazards for each type of tenure:

Tenure	Dwellings	Cat 1 Hazard	Excess Cold	Falls
Owner Occupied	34,389	24%	13%	9%
Private Rented	7,588	29%	15%	12%
All Private Stock	41,977	25%	13%	10%

The Stock Model shows that privately rented dwellings are more likely to have Category 1 Hazards than owner occupied. The current national averages are set by the 2009 English Housing Survey (EHS) and for Category 1 Hazards the average is 22%, for Excess Cold it is 9% and for falls it is 13%. The total private stock for the Borough is 3% higher for Category 1 Hazards and 4% higher for Excess cold; the private rented figures are even greater. To meet the national average would require the removal of Category 1 Hazards from 1,260 dwellings and improvement of Excess Cold for 1,679 dwellings. As the Stock Model includes the number of properties with Excess Cold when considering those with Category 1 Hazards, if the Council were able to facilitate the improvement of the 1,679 dwellings with Excess Cold, the total of Category 1 Hazards would reduce to below the national average.

The following maps show the distribution and density of Category 1 Hazards and Excess Cold across the wards, with the highest concentrations within Anglesey, Burton, Eton Park and Shobnall Wards.



Based on this data, Anglesey, Burton, Eton Park and Shobnall wards meet the criteria for high levels of private rented accommodation and poor property conditions. However, to ensure that the scheme focuses on the worst areas housing conditions the number of housing complaints for each ward have been broken down into street names as detailed in the table below:

Number of Housing Complaints Per Street (2015-2019)							
Shobnall Ward		Eton Park Ward		Burton Ward		Anglesey Ward	
Waterloo Street	29	Goodman Street	21	Uxbridge Street	14	Branston Road	29
Shobnall Street	25	Stafford Street	12	Moor Street	10	Anglesey Road	15
Borough Road	11	Thornley Street	9	Shannon Approach	10	Queen Street	14
Edward Street	10	Dallow street	7	High Street	9	Uxbridge Street	12
Gordon Street	10	Victoria Crescent	8	Horninglow Street	7	Blackpool Street	12
Princess Street	9	Eton Road	6	James Street	7	King Street	11
Shobnall Road	9	Horninglow Road	6	Ordish Street	7	Napier Street	10
Byrkley Street	7	Derby Road	5	Branston Road	6	Broadway Street	10
Derby Street	7	Hunter Street	4	Wetmore Road	6	All Saints Road	9
Grange Street	7	Victoria Street	4	Hawkins Lane	5	Oak Street	7
Victoria Street	5	Derby Street	3	Station Street	5	Ash Street	6
Wellington Street	5	Shakespeare Road	3	Grants Yard	5	Clarence Street	4
Richmond Street	3	Barker Round Way	2	New street	4	Alma Street	4
Shobnall Close	3	Beech Avenue	2	Duke Street	3	Wood Street	3
Albert Street	2	Masefield Crescent	2	Wetmore Lane	3	South Broadway St	3
Curzon Street	2	Wordsworth Close	2	Bridge Street	1	Beech Street	3
Outwoods Street	2	Abbots Fold Court	1	Caxton Court	1	Winchester Drive	2
Saw Mill Way	2	Beech Lane	1	Cross Street	1	Tiger Court	2
Arthur Place	1	Dallow Crescent	1	George Street	1	St Matthews Street	2
Black Eagle Court	1	George Orton Court	1	Gough Side	1	South Uxbridge St	2
Cambridge Street	1	Parker Street	1	Green Street	1	Oxford Street	2
Dallow Street	1	Tennyson road	1	Guild Street	1	Leicester Street	2
Grange Close	1	The Evergreens	1	Meadow Road	1	Cornwall Road	2
Lordswell Road	1	Weston Park Av	1	Mosley Street	1	Cambridge Street	2
Rangemore street	1			Sheffield Street	1	Trent Street	1
Salisbury Av	1			Wood Street	1	South Oak Street	1
St Pauls Court	1			Wyllie Mews	1	Harrow Drive	1
St Pauls Street	1					Evershed Way	1
Victoria Road	1					Caroline Court	1
Waverley Lane	1					All Saints Croft	1

This table demonstrates clear concentrations of housing complaints within Shobnall Street, Waterloo Street, Goodman Street, Branston Road and Uxbridge Street. Within these areas housing is predominantly mid- late 19th century terraced housing.

The following table shows the number of complaints received over the last 4 years for each street highlighted above, along with the % tenure for that street. Based on this data, 496¹ properties would require a licence for a selective licensing designation covering Shobnall Street, Waterloo Street, Goodman Street, Branston Road and Uxbridge Street targeting poor properties conditions in Anglesey, Burton, Eton Park and Shobnall Wards.

¹ Based on stock condition data on dwelling level tenure.

Street	Number of Complaints 2015-19	Total Number Rented (% tenure)
Shobnall Street	25	84 (25%)
Waterloo Street	29	91 (46%)
Goodman Street	21	76 (37%)
Branston Road	35	120 (45%)
Uxbridge Street	26	125 (43%)
Total	136	496

Conclusion

This data supports the criteria for the designation of a selective licensing scheme covering Shobnall Street, Waterloo Street, Goodman Street, Branston Road and Uxbridge Street in Anglesey, Burton, Eton Park and Shobnall Wards to address poor property conditions where there are significant numbers of private rented properties which are in poor condition and are adversely affecting the character of the area, and/or the health and safety of its occupants.

Appendix 2 – Ward Maps



Figure 1 – Goodman Street- Eton Park Ward

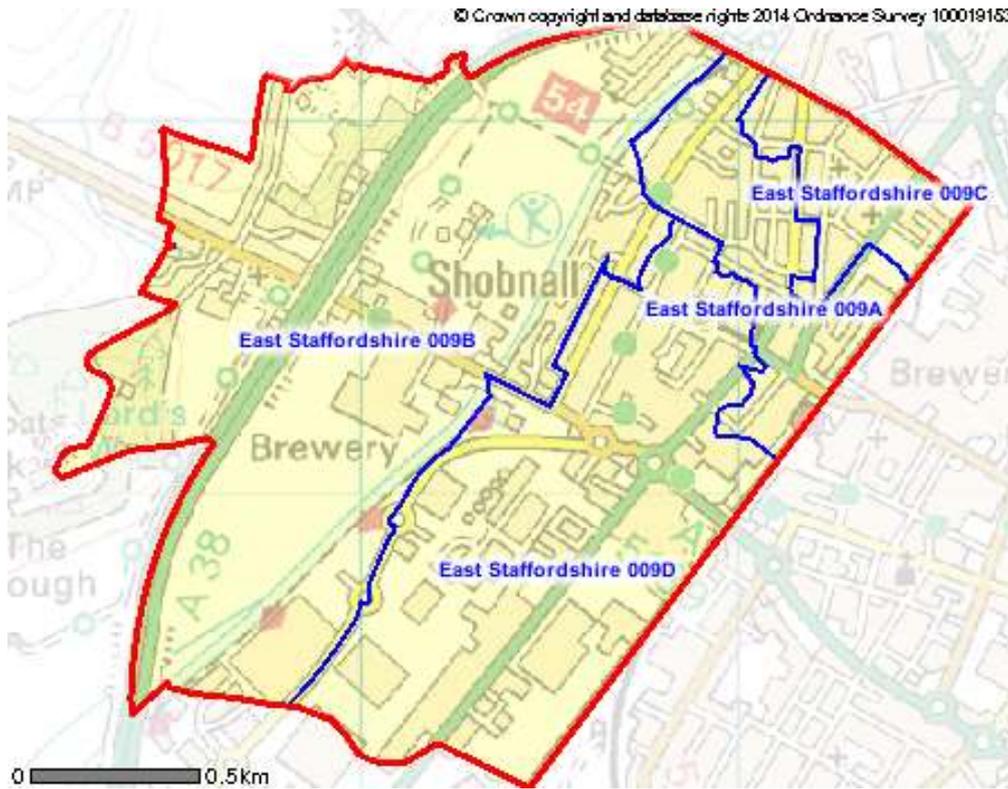


Figure 2 – Shobnall Street & Waterloo Street- Shobnall Ward

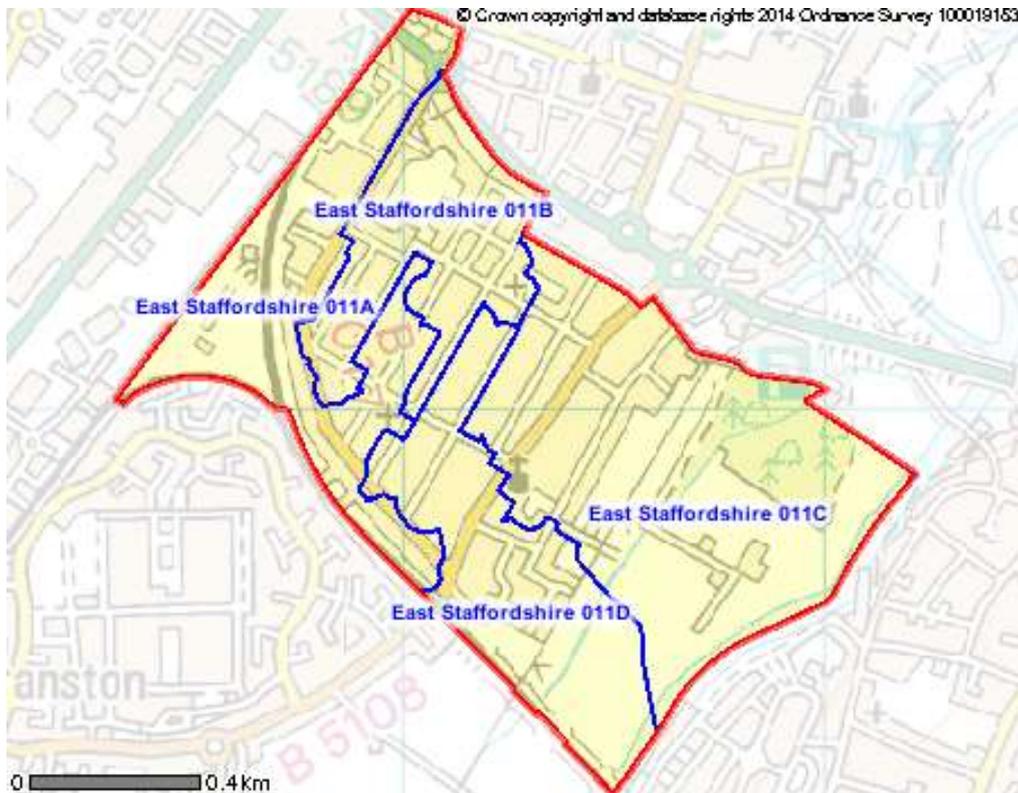


Figure 3 – Branston Road & Uxbridge Street- Anglesey Ward

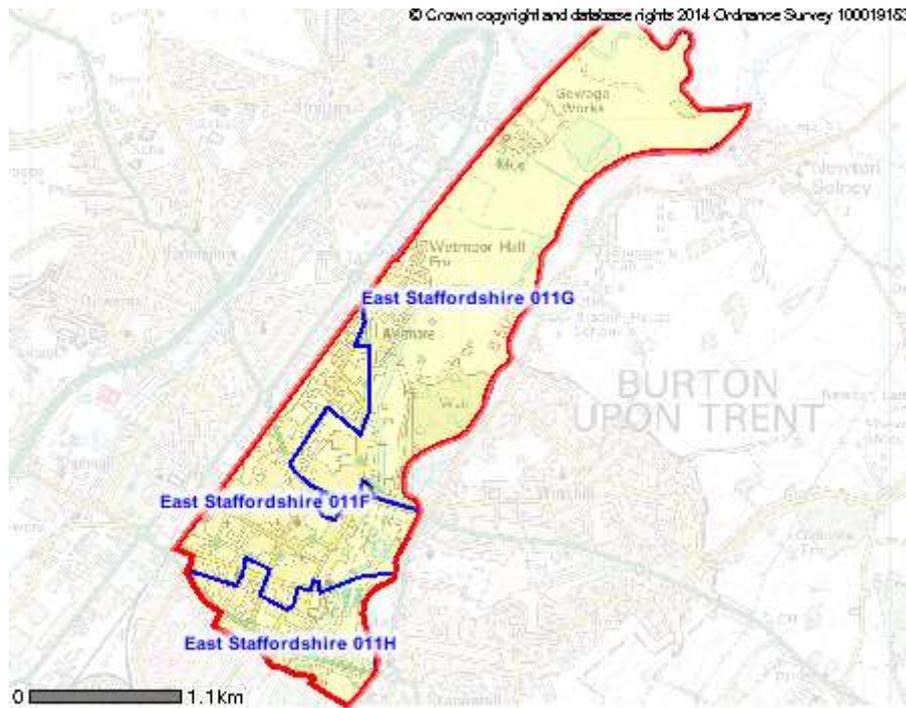


Figure 4 – Branston Road & Uxbridge Street- Burton Ward

Appendix 3- Selective Licensing Scheme Conditions



Selective Licensing Scheme Conditions Housing Act 2004

The following licence conditions detail what the licence holder must adhere throughout the duration of the licence (or their nominated agent where specified) as required by section 90 and Schedule 4, Housing Act 2004. If you do not understand the requirements, please contact the Environmental Health Team who will be able to help you.

Failure to adhere to one or more of these licence conditions could result in formal proceedings against you, with a maximum penalty of an unlimited fine and/or the loss of your licence.

Mandatory Conditions.

1. If gas is supplied to the house, the licence holder must produce an annual gas safety certificate to East Staffordshire Borough Council in respect of the house within the last 12 months.
2. The licence holder must:
 - a. keep electrical appliances and furniture provided by her/him in a safe condition
 - b. supply the authority with a declaration by him, as to the safety of such appliances and furniture.
3. The licence holder must:
 - a. ensure that smoke alarms are installed on each storey of the house on which there is a room used wholly or partly as living accommodation, and to keep such alarm in proper working order.
 - b. supply the authority, on demand, with a declaration by him as to the condition and positioning of such alarms.
4. The licence holder must:
 - a. ensure that a carbon monoxide alarm is installed in any room in the house which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance;
 - b. keep any such alarm in proper working order; and
 - c. supply the authority, on demand, with a declaration by him as to the condition and positioning of any such alarm
5. The licence holder must provide each tenant with a written statement of the conditions of the terms on which they occupy the house.
6. The Licence Holder must obtain references from persons who wish to occupy the house.

Conditions relating to the property

7. The licence holder must allow officers of the council access to the licensed property for the purpose of carrying out inspections at all reasonable times or on receipt of 24 hours' notice of their intention to inspect, whichever the sooner.

8. The licence holder must cooperate with environmental health staff in circumstances where complaints of alleged breaches of licence conditions have been made in respect of the licensed property.
9. The licence holder will ensure that any furniture supplied at the start of a tenancy or licence is in safe and good condition and maintained or replaced as far as it is the landlord's responsibility throughout the tenancy.
10. All repairs to the property are to be carried out by competent and reputable persons and as far as practicable; the licence holder will ensure all works are carried out to a reasonable standard.
11. If the property is a HMO, licence holder must ensure that the house is compliant with the council's approved standards for houses in multiple occupation, according to the type of accommodation offered. These standards will be reviewed periodically to ensure that they remain appropriate to the type of multi-occupied housing within the council's area and needs of residents.
12. The licence holder must provide the tenants of the licensed property and the occupiers of any adjoining properties, with details of the following:
 - a. name of the licence holder or managing agent
 - b. a contact address and daytime telephone number
 - c. an emergency contact telephone number.
 - d. standard reporting procedures for disrepairThis information must be supplied within 28 days of receipt of the licence document and should be clearly displayed in a prominent position within the licensable property. An emergency contact telephone number for the licence holder and/or management agency shall also be available and notified to the council.
13. Where major works are required during the period of the tenancy, the licence holder will provide suitable alternative accommodation for the period during which works are carried out. The licence holder must also notify the local authority to provide details of the works to be carried out, the timescale for completion and the accommodation arrangements made for the tenant.
14. The licence holder, when providing the utilities to the property, will set reasonable market rates for all utility supplies that are no greater than the rate at which they are charged by the energy supplier.
15. The licence holder will not attempt to end a tenancy or licence in order to avoid carrying out repairs.
16. The licence holder will provide the tenant with copies of user manuals for any equipment provided as part of the agreement.

Tenancy Arrangements

17. The licence holder will arrange to undertake a detailed inventory to be agreed with all new tenants and kept on file at the onset of each new tenancy.

18. The number of persons residing in the premises at any one time shall not exceed the maximum number of occupants stated on the licence.
19. The Licence Holder must make use of an approved tenancy deposit scheme.
20. In circumstances where the licence holder seeks repossession of the property, this must be done using lawful means.
21. Where there are alley gates installed to the rear of the licensed property, the licence holder must:
 - a. take responsibility for holding a key for any alley gates which are in place or which are installed provide all new tenants with a copy of the key at the time of letting
 - b. issue any new tenants with a copy of any key holding agreement which is in place for the alley gate scheme to the rear of the licensed property.
22. The Licence Holder must ensure their property is inspected on an annual basis by the Licence Holder or their managing agent if the tenant has been living at the property for more than two years. If the tenant has been living in the property for less than two years the Licence Holder must ensure their property is inspected at least once every six months by the Licence Holder or their managing agent. The findings of the visit must be recorded.

Environmental Management

23. The Licence Holder must ensure that the property and all outbuildings, yards, forecourts and gardens surrounding the house are maintained in repair and kept in a clean, tidy and safe condition and free from infestations.
24. The licence holder must provide adequate facilities for the storage and disposal of refuse and must outline to the tenants their responsibilities in this respect.

Local Authority cooperation

25. The Licence Holder and any other relevant person involved with managing the property must inform the local authority within 14 working days of any changes in their circumstances not previously disclosed to East Staffordshire Borough Council as follows:-
 - a. Details of any unspent convictions that may be relevant to the Licence Holder and/or their managing agent in relation to 'fit and proper person'. This is in particular in relation to any such conviction in relation to fraud or dishonesty, violence or drugs or any offence listed in Schedule 3 of the Sexual Offences Act 2003
 - b. details of any finding by a court or tribunal against the Licence Holder and/or the manager that they have practiced unlawful discrimination on grounds of sex, sexuality, race, ethnic or national origin or disability against a tenant;
 - c. details of any contravention by the Licence Holder or managing agent of any provision of any enactment relating to housing, public health, environmental health or landlord and tenant law which led to criminal or

- civil proceedings resulting in a judgement or finding being made against them;
- d. Information about any property the Licence Holder or managing agent owns or manages or has owned or managed which has been the subject of a:
 - i. Control order under S. 379 of the Housing Act 1985;
 - ii. or any appropriate enforcement action described in Part 1 Chapter 1 (5) of the Housing Act 2004;
 - e. Information about any property the Licence Holder or manager owns or manages, or has owned or managed, for which a local housing authority has:-
 - i. refused to grant a licence under Part 2 or Part 3 of the Housing Act 2004; or
 - ii. Has revoked a licence in consequence of the Licence Holder breaching the conditions of their licence.
 - f. Information about any proper property the Licence Holder or managing agent owns or manages or has owned or managed which has been the subject of an Interim or Final Management Order under Part 4 Chapter 1 of the Housing Act 2004;
 - g. The owner of the property has secured a sale of the property in a designated selective licensing area;
 - h. Any change in managing agent or the instruction of a management agent;

Anti-Social Behaviour

26. The licence holder must take reasonable and practicable steps for tackling antisocial behaviour. The licence holder and/or his nominated managing agent are required to undertake an incremental process of investigation of any complaints which have been made either directly to them, or via the council, regarding their tenants. This process of investigation may involve one or more of the following.
 - Appropriate response to a complaint from a member of the community, neighbour or another person regarding the conduct of the licence holders' tenant(s) and/or the behaviour of their children or visitors.
 - Sending of appropriate and proportionate warning letter(s).
 - Conduct of a tenancy warning interview.
 - Attendance at a case conference or any other appropriate multi agency meeting arranged by the council or other relevant agency.
 - Engagement with the council, the police or any other agency involved in the case. This may involve providing supporting information or evidence where an appropriate authority seeks a legal remedy to the antisocial behaviour such as an Anti Social Behaviour Order.
 - Serving of a relevant notice to seek possession where all other interventions have failed and that all parties agree that this would be the most appropriate course of action.
 - The Licence Holder and/or managing agent co-operating with any relevant and reasonable advice given by a relevant and appropriate service such as Staffordshire Police and Staffordshire Fire and Rescue Service.

27. The Licence Holder and/or managing agent will provide upon request to the local authority any information demonstrating all reasonable action is being taken to deal with anti-social behaviour arising at or related to their property such as warnings or any other appropriate legal action has been taken.
28. The licence holder will ensure that tenants are aware of the services available to them and how they can report nuisance and anti-social behaviour.

Alternative formats of this publication are available on request. Please contact us to discuss an appropriate format.

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