

CULTURE AND COMMUNITIES SCRUTINY PANEL

A meeting of the Culture and Communities Scrutiny Panel was held on 18 December 2017.

PRESENT: Councillors R Arundale, D J Branson, J Goodchild, A Hellaoui, L Lewis, D Rooney, Z Uddin and V Walkington

ALSO IN ATTENDANCE: Lynda Igløe, Principle Housing Advise Officer and Julie Bower, Senior Landlord/ Tenant officer (Hartlepool Council)

OFFICERS: Susie Blood

APOLOGIES FOR ABSENCE Councillor D Davison.

DECLARATIONS OF INTERESTS

None declared

1 MINUTES OF THE MEETING HELD ON 20 NOVEMBER 2017

The minutes of the meeting held on 20 November 2017 were submitted and approved as a true record.

2 SELECTIVE LANDLORD LICENSING- LOCAL AUTHORITY COMPARISON.

The Chair welcomed Julie Bower, Senior Landlord/ Tenant officer and Lynda Igløe, Principal Housing Advice Officer to the meeting. The aim of the presentation was to gain a comparison of selective licensing in neighbouring authorities and to consider ways in which our current scheme could potentially be improved. Members were aware that Hartlepool was a much smaller authority, however wished to gain a comparison to the way their selective licensing operated.

The officers advised that Hartlepool were currently in their second scheme, the first expired in May 2014 and the current scheme was implemented in 2015. The scheme covered 13 streets across Hartlepool. A number of streets licensed under the first scheme had also been re-designated and included within the second scheme.

The members were advised that amongst the scheme, 5 streets had not quite met the criteria for Selective Licensing, however were being monitored in a similar way to ensure the 'doughnut effect' did not occur (anti -social behaviour moving to the non-licensed streets). This was a request from Hartlepool Councillors.

The officers advised that they considered themselves unique in their approach to Selective licensing, as although their scheme was predominantly town centre, they did have streets licensed which were dotted around Hartlepool. Members commented that Hartlepool differed considerably, as the Scheme in North Ormesby was a physical bounded area. Members saw merit in this approach and believed it could possibly be adopted to certain streets in Middlesbrough if there was a requirement.

The officers referred to the Legislation, Part 3 of the Housing Act 2004. The Officers mentioned that the area covered by Selective Licensing within Hartlepool, did not require confirmation from the Secretary of State, as the designated area did not cover 20% of the geographical area or affect more than 20% of privately rented homes in the local authority area. They defined 'as the whole of the town and therefore streets licensed under the scheme are across the town.

The Panel heard that when licensing was first introduced, all local authorities wanting to obtain a License had to do so through the Secretary of State, however in March 2010, a general approval was issued, which removed the need to obtain confirmation before introducing the scheme and Councils could approve scheme themselves, subject to compliance with legal regulations (10 week consultation on proposed designation). General Approval was amended with effect from April 2015: local authorities are required to obtain confirmation from the

Secretary of State for any selective licensing scheme which would cover more than 20% of their geographical area or would affect more than 20% of privately rented homes in the local authority area.

A member queried whether it would be possible to license all privately rented properties across a town (depending on definition of an area). The officers responded that they had heard that in cities such as the London Borough of Newham and Oxford, licensing had been rolled out across the whole of the cities, however there had not been a requirement to do so in Hartlepool.

The officers went on to outline that in terms of the current designation, of the 13 streets, the tenure breakdown was as follows;

- 842 residential units
- 183 owner occupied
- 86 unoccupied
- 115 exempt(including social renting housing)
- 385 licensed
- 73 Applications pending/ under enforcement

The officers commented that in terms of identifying which streets should be licensed, they considered sources including the census 2011, local land and property gazetteer and of those, identified key criteria as set out by the Housing Act 2004 including for example, number of privately owned properties, number of anti-social behaviour incidents.

Initially, there were 92 streets (3,499 properties) within the proposed boundary, however they considered a number of parameters for evidence threshold:

- Private rented properties in proposed streets (1770)
- of those, officers identified which streets had 50% private rented properties (1381)
- officers than identified, which properties had repeated incidents of anti-social behaviour linked to the private rented sector (743)
- and of those, all streets with more than 15% anti-social behaviour linked to the private rented sector.

In previous meetings, the Panel learnt that landlords in North Ormesby generally owned multiple properties, whereas in Hartlepool, the landlords within the selected licensed area, tended to own either 1 or 2 properties. There were also what was known as 'accidental landlords' who had gained the property through inheritance and therefore rented the property until they are certain of its future.

The officers commented that quite often due to the low demand on the older stock of houses, there were a number of empty properties amongst the designated streets and this had a direct impact on the private rented sector.

Property Management

Under the Housing Act 2004, there were mandatory conditions of Selective Licensing, all referring to Property Management. Included within these were, for example, were as follows:

- **GAS:** The Licence holder shall provide the Local Authority with a Gas Safety Certificate issued within the previous 12 months at the time of the application and thereafter annually.
- **Electrical appliances and Furniture Safety** -the Licence holder shall keep all electrical appliances and furniture supplied in a safe condition and must provide a declaration as to their safety at the time of application and thereafter on demand. And the Licence holder shall ensure that furniture and furnishings supplied by them are compliant with the Furniture and Furnishings (Fire) (Safety) Regulations 1988 (as amended 1989 and 1993) and must provide

a declaration as to their safety at the time of application and thereafter on demand.

• **Smoke alarms**- The Licence holder shall ensure that smoke alarms are installed in the property and kept in proper working order and provide a declaration as to their condition and positioning to Middlesbrough Council on demand.

• **Tenant references**- The Licence holder shall request references for prospective tenants, subject to condition number 7.

• **Terms of occupation**- The Licence holder shall supply to the occupiers of the house a written statement of the terms on which they occupy the property. A copy of the terms will be provided to the Council on demand.

The officers advised that although property inspections were undertaken under the first scheme a decision was made that because licensing was primarily concerned with management standards rather than property conditions (and they already have powers under Part 1 of the Act to deal with such matters) internal inspections are rarely carried out for licensing purposes unless there are exceptional circumstances. In most cases the team were able to determine applications on the basis of:

- Its own knowledge
- The application form itself
- Any other relevant information known or provided in connection with the application

All licensees were periodically given the opportunity to attend relevant training courses and where necessary the condition to attend such a course can be enforced on an individual basis if appropriate.

Whilst Middlesbrough Council have a dedicated team to deal with Selective Licensing, Hartlepool have two officers. The officers commented that they ensure landlords produce mandatory information, as outline above, and if they receive persistent reports of Housing disrepair and anti-social behaviour these would be referred to the Housing Standards Team or Anti-social behaviour team. Local Authorities can enforce additional conditions to the Licence if deemed necessary, for example, Middlesbrough Council require, amongst several conditions, that security of the property was kept to a good standard (window locks/ locks/ bolts) and these are scrutinised during inspection.

Obtaining a License

In terms of obtaining a license, the officers informed the Panel that all applications were made online via www.Gov.uk, there was a standard fee of £600.

The Officers notified the Panel that the fee reduced annually on a Pro rata basis, the fees were as followed:

Entry Year- July 6 2015- July 5 2016
Application Fee- £600

Entry Year July 6 2016-July 5 2017
Application Fee- £480

Entry Year July 6 2017- July 5 2018
Application Fee- £380

Entry Level July 6 2018- July 5 2019
Application Fee- £260

Entry Level July 6 2019- July 5 2020
Application Fee- £160

The panel members also learnt that following discounts may be reduced from the above amounts for members of the National Landlord Association (NLA) or Residential Landlord Association (RLA):

Entry Year- July 6 2015- July 5 2016
Reduction- £100

Entry Year July 6 2016-July 5 2017
Reduction- £80

Entry Year July 6 2017- July 5 2018
Reduction- £60

Entry Level July 6 2018- July 5 2019
Reduction- £40

Entry Level July 6 2019- July 5 2020
reduction- £20

Officers also advised that within the two schemes, the offered an annual renewal option, however the officers commented on the administrative issues that they had experienced and on reflection, they would not offer this option in future schemes.

In terms of comparison, the cost of a license in Middlesbrough was £580 per property plus £20 fit and proper one off fee.

Delivering Licensing

In terms of the existing licensing scheme in Hartlepool, of the 13 streets, they had full compliance and all landlords had met their licensing conditions.

The officers advised that there were complementary Initiative from the scheme:

1. Free use of the Tenancy referencing service- delivered by the Housing Advise Team

Officers made the panel aware that landlords did not have to use this service, however prove of referencing was a mandatory requirement on the license. Members were advised that this was the same approach adopted in Middlesbrough.

2. Continue to monitor peripheral streets

This was ensure the 'doughnut effect' did not occur. Officers advised that at present they had received no evidence that anti-social behaviour and low housing demand had spread to the peripheral streets, however careful monitoring would continue.

3. Regular email Housing News Bulletin'

To ensure landlords and tenants are informed of any vital information regarding the licensed area and to inform landlord of training events. Officers further outlined that due to this excellent communications, Landlords and tenants are aware of what is expected of them.

4. Intensive Landlord development and training events- delivered by members of the National Landlord Association.

Officers advised that these sessions are delivered by members of the National Landlord Association (NLA) and are well attended. Costs to deliver the training are taken out of the license fees.

5. Steering group

Officers finally outlined that Hartlepool had a Selective Licensing Steering group which met quarterly and was chaired by the Vice chair of the Housing and Regeneration Committee.

The group was represented by the following:

- 2 resident representatives
- Member of the National Landlord Association
- Officer from the Anti- social Behaviour Unit, and
- Police representative.

A member queried whether the Fire Service were represented. In response the panel were advised that they are invited and are sent information, and attend training days but did not always actively attend the steering group.

Another panel member, raised the relationship Hartlepool had with the National Landlord Association, as in a previous meeting, the panel heard that the NLA had publically opposed selective licensing, as they felt it punished the good, law abiding landlords. The officers responded that they had a very good relationship with the NLA and believed they would opposed schemes that considered unjust or unfair. They did however make the panel aware that they knew the Residents Landlords Association was against the scheme and had publically campaigned in the past.

Hartlepool also encouraged landlords to join the National Landlords Association due to the fact they did not have their own accreditation scheme. They also offered license discounts to members of the National Landlords Association.

The panel thanked the officers for their presentation and insight to Hartlepool's scheme.

Following the presentation, the panel outlined that they would like to receive further information on the Legislation and understand fully the License conditions for Middlesbrough Landlords. This related to terms of reference 1: To examine the provisions specified by the Housing Act 2004 in respect of regulating the private rented sector and the reasons behind the designation of North Ormesby.

The Chair also made the panel aware that an officer from Durham County Council would be in attendance at the next meeting to give a further neighbouring authority comparison.

Agreed as follows:

That the information presented at the meeting be considered in the context of the scrutiny panel's investigations.

3 **OVERVIEW AND SCRUTINY BOARD UPDATE**

The Chair presented an update on the matters that were considered at the meeting of the Overview and Scrutiny Board, which was held on 12 December 2017. Members were advised that the Board had considered the following items:

- Balanced Scorecards
- An update on Apprenticeships
- Executive Forward Work Programme
- Updates from Scrutiny Chairs

AGREED as follows:

That the update be noted

4 **DATE OF NEXT MEETING- MONDAY 22 JANUARY 2018**

The Chair advised the panel that the next meeting would take place on Monday 22 January 2018.

An officer from Durham County Council would be in attendance to discuss their experiences of re-designation of selective Licensing within an area.

The Panel also discussed that they would like to obtain further on the Housing Act 2004, Selective Licensing Legislation. The Democratic Services Officer would contact the relevant department to invite an officer to the next meeting.