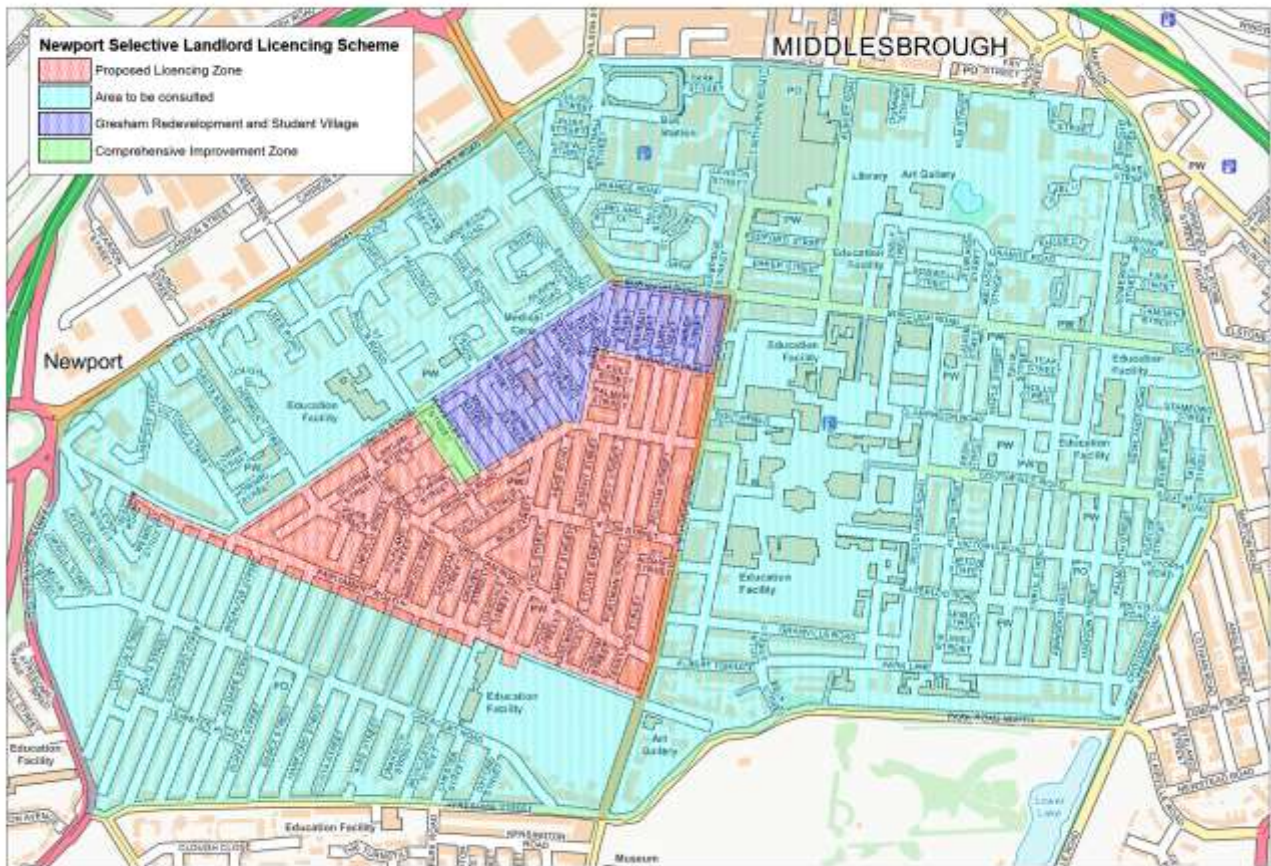


Proposal by Middlesbrough Council to designate the area identified as Newport 1 for Selective Landlord Licensing (Nov 2023)



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ABOUT THIS CONSULTATION

The Housing Act 2004 gives the Council powers to introduce Selective Licensing for privately rented properties in areas experiencing low housing demand and/or significant and persistent anti-social behaviour. The purpose of such schemes is to improve standards of property management in the private rented sector. The Council can make the 'designation' if it believes this will, when combined with other measures, lead to improved social and economic conditions in the area.

The Council proposes to designate Selective Licensing in the Newport 1 area, as outlined on the map at Appendix 1. The Council's proposal is made on the grounds that the Newport ward is an area of low housing demand with significant levels of antisocial behaviour.

Newport 1 scheme was previously implemented on the 13th June 2019. Since the implementation of the scheme a resident's survey has been completed in November 2021 which showed an increase in the percentage of residents who responded that they felt fairly or very safe in the ward. The figure for residents who felt fairly or very safe during the day rose from 35.48% in March 2021 to 68.65% in November 2021. The figure on an evening rose from 12.9% in March 2021 to 48.98% in November 2021. Although these results are promising and show that the approach we are taking is having a positive impact, we are committed to continuing to improve residents feelings of safety within the ward, we know there is still a lot more work to do but by working together we are confident we can make greater improvements.

This document explains why the Council believes Selective Licensing is still needed in Newport, how it will operate alongside and complement other measures, the improvements it will bring about and why alternative remedies are insufficient. This proposal presents information on a full Newport ward basis, were we have been able to present granular data for the smaller Newport 1 area we have used it.

The Council wants to hear from those who are likely to be affected by the proposed scheme, including local tenants, landlords, managing agents and other members of the community who live or operate businesses or provide services within the proposed designation. This includes local residents and those who operate businesses or provide services in the surrounding area outside of the proposed designation who are likely to be affected. This wider consultation area is also outlined on the map at Appendix 1.

Details of how to respond to the consultation are set out from page 21.

The consultation will last for a period of 10 weeks, starting on 2nd January 2024 and closing on 12th March 2024. After this time the results will be published, including a summary of the responses received and how these have either been acted on or not, giving reasons in each case.

The Council will make a final decision on Selective Licensing after it has fully considered the responses to the consultation.

Should the Council decide to introduce a scheme then all affected parties will be formally notified 3 months in advance of it coming into operation.

CHALLENGES THAT NEWPORT CONTINUES TO FACE

Newport ward experiences major challenges associated with social and economic decline. This includes:

- high levels of crime and antisocial behaviour;
- high levels of private rented properties and poor living conditions;
- high levels of empty properties; and,
- a transient population.

In addition to this there has been significant investment in the physical regeneration of Middlesbrough and social regeneration is a key priority for the Council.

A significant and concerning pattern of housing and subsequent social decline in parts of Newport can be identified:

- the older terraced properties are no longer the first time buyers 'house of choice' as they have been for previous generations;
- the low demand for two bedroom terraced properties has led to private sector landlords purchasing properties at relatively cheap prices;
- some, but by no means all, of these landlords have housed tenants who have gone on to present a wide range of problem behaviours, further fueling low demand levels;
- this concentration of issues has seen a broad range of social problems manifest themselves from drug and alcohol abuse to domestic violence and high crime levels.

Whilst Newport may not always be recognised as the most disadvantaged area against every statistical measure, the rate of its decline, it's vulnerability in terms of crime, social isolation, and the impact of welfare reform provides a particularly compelling picture of chronic need – especially in conjunction with the apparent housing market failure. If not addressed, this decline could threaten the long-term stability of the area.

WIDER INDICATORS

Index of Multiple Deprivation (IMD)

2019		2015	
Category	Rank (National)	Category	Rank (National)
IMD Deprivation	26	IMD Deprivation	30
Income	18	Income	29
Employment	116	Employment	58
Education, Skills and Training	57	Education, Skills and Training	32
Health Deprivation and Disability	84	Health Deprivation and Disability	8

The Index of Multiple Deprivation (IMD) is used to provide a set of relative measures of deprivation (ranks) for small geographical areas (Lower-layer Super Output Areas (LSOA)). Movement in ranks between the IMD in 2015 and 2019 does not necessarily imply that an LSOA has improved or declined between the reporting periods, rather it may imply that other LSOAs have improved/declined at a greater rate. The ranks are only in relation to each other. The IMD is derived from seven different domains, based on data from a multitude of sources, from the most recent time point available (e.g. population data from August 2012 for the 2015 IMD and from August 2015 for the 2019 IMD). It is not possible to access all the data sources for raw data, therefore this report is based on data from the IMD websites and, where possible, supplemented with data from other sources.











The LSOAs used to calculate the ward based estimates rank between 51st most deprived and 3,285th most deprived in the Indices of Multiple Deprivation 2019, with almost 33,000 LSOAs in England, all seven in Newport ward are within the most deprived 10% in England. Three LSOAs in Newport have seen an improvement in their ranking since IMD 2015, whilst the remaining four have worsened. The LSOA comprising of the Cannon Park to Union Street area (E01012041) has consistently been one of only five nationally which have been in the 100 most deprived LSOAs in all IMD's since 2004.

In 2015, out of 7,219 wards, Newport was the 26th most deprived ward in the country, and remains at the 26th most deprived ward at IMD 2019. Newport is ranked as the fourth most deprived ward in

Middlesbrough.

The rank changes below show that the increase in deprivation has been largely driven by low income and high crime rates, both of which have a causal effect on the Income Deprivation Affecting Children Index (IDACI) and Income Deprivation Affecting Older People Index (IDAOPI). In contrast, there has been a significant improvement in Barriers to Housing and Services of 5,674 positions between 2015 and 2019.

Newport Ward Rankings

	Domain	2019	2015	Movement	
	Overall	1116	1172	-56	↓
	Income	1047	1198	-151	↓
	Employment	2283	2184	+99	↑
	Education, Skills and Training	1647	1400	+248	↑
	Health Deprivation and Disability	1534	1528	+5	↑
	Crime	1449	3101	-1,652	↓
	Barriers to Housing and Services	24684	19009	+5,674	↑
	Living Environment	8795	8043	+752	↑
	Income Deprivation Affecting Children Index (IDACI)	764	866	-102	↓
	Income Deprivation Affecting Older People (IDAOPI)	2423	2817	-394	↓

LOW HOUSING DEMAND

The Council is looking to re-designate Selective Licensing in the Newport 1 area on the basis that there is compelling evidence of low housing demand. In line with legislation and guidance the Council has considered the indicators of low housing demand described in the following section. The evidence points to an area with a high incidence of private renting, low property prices, a transient tenant population and high proportion of empty properties.

Tenure mix

The Newport ward has an area of 229 hectares which represents 4.25% of the total area of Middlesbrough with a resident population of 10,776 which represents 7.49% of the total Middlesbrough resident population of 143,924.

The ward of Newport has 4,563 households, which represents 7.57% of Middlesbrough's 60,265 households (Census, 2021). The proposed area of Newport 1 will represent 2033 properties.

The largest number of households in Newport was 'private landlord or letting agency accommodation' at 46.4%. That compares with 18.7% for Middlesbrough as a whole, 15.1% for North East Region and 18.2% for the whole of England.

The second largest number of households in Newport was 'owned outright accommodation' at 16.2%. That compares with 28.6% for Middlesbrough as a whole, 32.5% for North East Region and 32.5% for the whole of England.

Empty properties

The problems empty properties cause for local communities are well known, but in summary they:

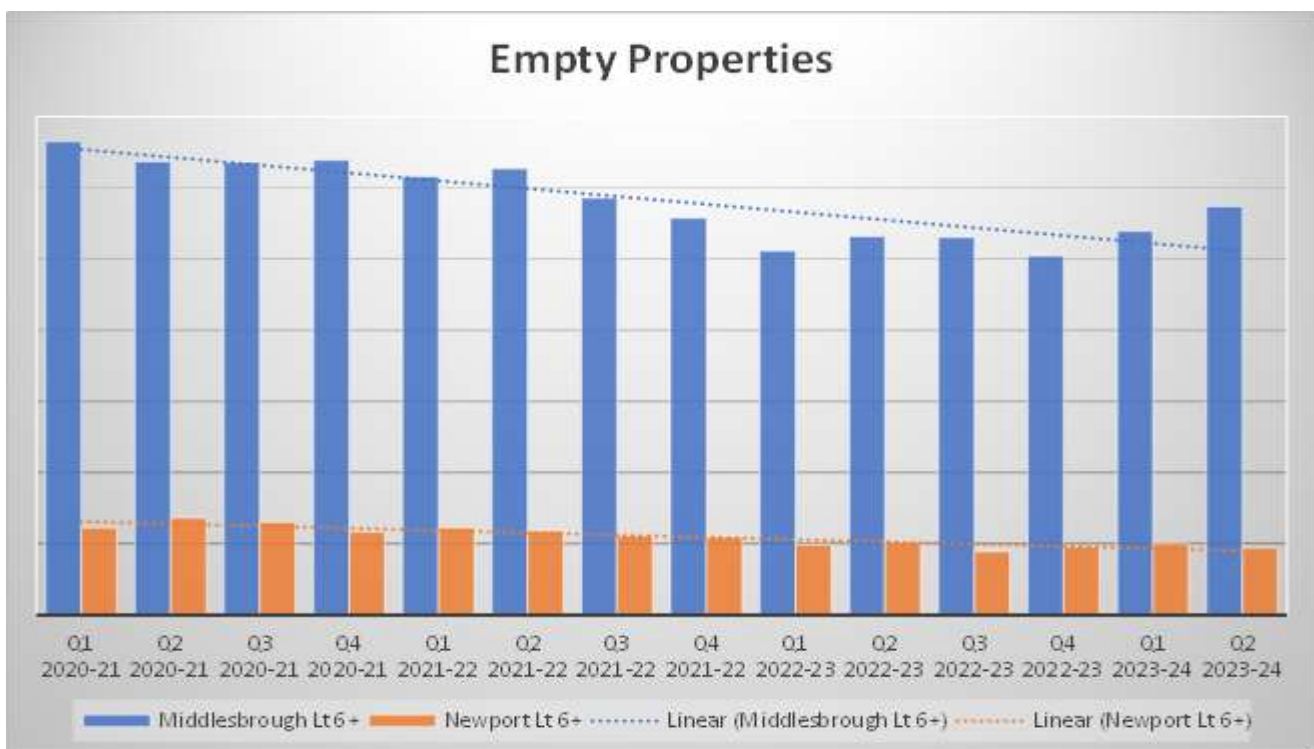
- deny homes to those in need;
- attract vermin, crime, arson, vandalism, fly-tipping and anti-social behaviour;
- are a source of anxiety for owners and neighbours;

- reduce the value of neighbouring properties; and,
- as a consequence, are a drain on public services and budgets.

At the end of September 2023 there were 188 properties which had been empty for greater than 6 months in Newport, which is 3.46% of the Newport housing stock. There were 374 empty properties in total which is 6.87% of the wards stock.

Newport is the third highest ward in Middlesbrough behind North Ormesby and Central when talking in terms of percentage of properties empty, in raw numbers Newport is second highest just behind Central Ward and just ahead of Brambles & Thorntree and Park wards.

Long term empty properties in Newport account for 16.39% of the total long term empty properties in Middlesbrough, and the total empty properties in Newport account for 18.04% of the total number of empty properties in all of Middlesbrough.



Property values

Properties in Newport at the end of December 2022 had an overall average price of £66,000. In 2019 the average house price was £48,585.

The majority of sales in Newport during the last year were terraced properties, selling for an average price of £65,971. Semi-detached properties sold for an average of £70,750, with no data for detached properties sold.

Overall, sold prices in Newport in the 2019 peak were £104,110.

There are a number of potential factors are at play which may affect the value of properties which include the disproportionate levels of private rented properties when compared with other parts of the town, high levels of crime, anti-social behavior, deprivation, COVID-19 and the number and impact of empty properties.

Turnover

The presence of a more transient population typically housed in privately rented accommodation can have a negative impact on the stability and desirability of an area. It can also affect community integration and investment.

Transience can also attract disadvantaged people to the area, which in turn can lead to increased social deprivation.

The Newport Ward has a culturally diverse community with over 45 languages being used within the ward. This brings significant benefits to the local area i.e. many migrants have settled in the ward and established new businesses, contribute to the local economy and support the population levels. The local community hub supports both the settled and migrant community however some tensions currently exist.

Council Tax records provide a guide to the proportion of properties experiencing turnover in the Newport area.

	New Occupations (accounts)						
	Properties at 1 Jan	Accounts in year	Accounts Count	Rate for all Properties	Rate for Properties Count	Properties Count	Rate for all Properties
2017	1673	2908	660	39.5%	122.2%	540	32.3%
2018	1674	2787	636	38.0%	127.5%	499	29.8%
2019	1670	2729	640	38.3%	121.2%	528	31.6%
2020	1670	2597	593	35.5%	120.8%	491	29.4%
2021	1665	2426	513	30.8%	121.0%	424	25.5%
2022	1663	2633	654	39.3%	125.8%	520	31.3%

Housing stock condition

Middlesbrough's Private Sector Stock Condition Survey (PSSCS) 2008 identified Newport as having the second highest proportion of non-decent dwellings in Middlesbrough at 49.3%. Non-decent homes do not meet current statutory minimum standards, are not in a reasonable state of repair, do not have reasonably modern facilities and fail to provide a reasonable degree of thermal comfort.

The survey also recorded a non-decency remedial cost score as (£40.3m and an average of £3,685, per non decent dwelling).

The same survey identified Newport as having the second largest proportion of vulnerable households (50.1%) living in non-decent homes.

Newport was also found to have the second highest proportion of homes with a Category 1 hazard (23.1%). Examples of Category 1 hazards include:

- Damp and mould
- Excess cold
- Falls on stairs
- Hot surfaces
- Falls on the level
- Fire

Newport also had the second lowest SAP rating (42) – this compares the energy performance of different homes and is measured on a scale of 1 to 100. The higher the rating the lower the fuel costs.

Housing disrepair

The Council received complaints of housing disrepair in private rented property in Middlesbrough.

In 01/04/ 2020- 31/03/2021 = 101 in Newport (383 across all wards)

In 01/04/2021 – 31/03/22 = 93 in Newport (362 across all wards)

In 01/04/2022 – 31/03/2023 = 113 in Newport (462 across all wards)

Notice of Intention

Between April 2018 and September 2023, 582 premises were issued with a 'notice of intention' which details hazards in properties requiring remedy. Of these 321 (55%) were in the Newport ward.

Improvement notices

Between April 2018 and September 2023, 55 dwellings were subject to enforcement using Improvement Notices under the Housing Act 2004. 24 of these were in the Newport Ward.

Prohibition Orders

Between April 2018 and September 2023, 21 dwellings were subject to enforcement using Prohibition Orders under the Housing Act 2004. 12 of these were in the Newport Ward.

Impact of Covid 19 pandemic

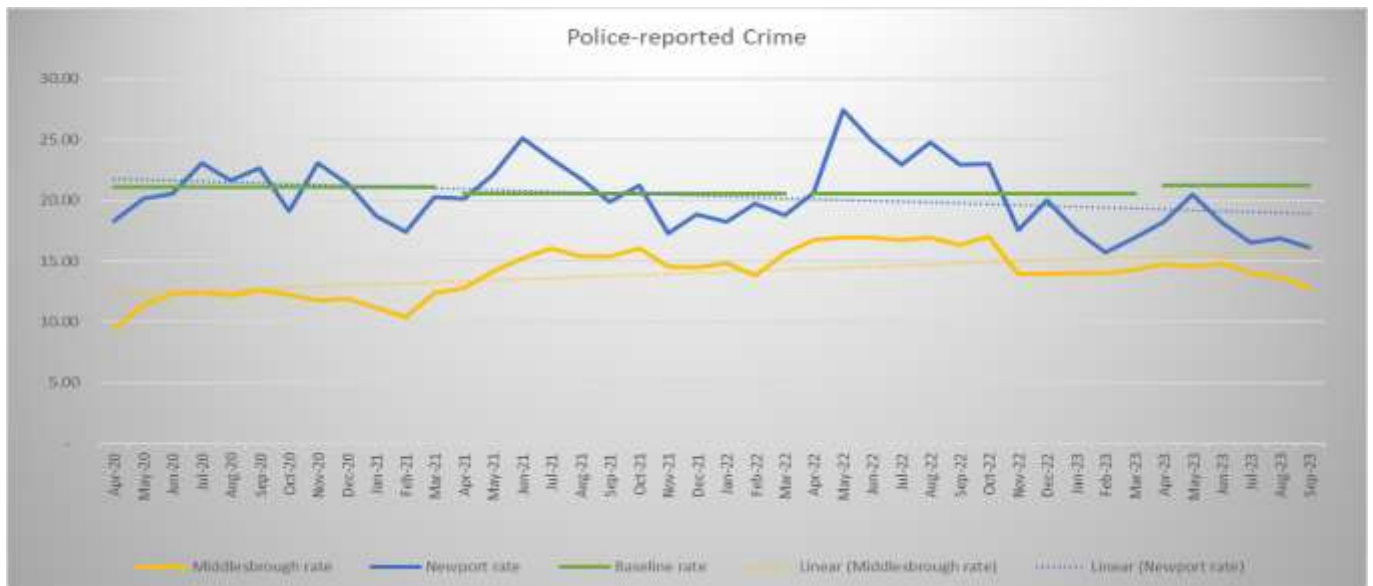
The Covid-19 pandemic significantly impacted on the delivery of the Newport 1 scheme, primarily preventing staff from carrying visits, housing standards inspections and other face to face contact for a considerable period of time. This was a period of unprecedented demand on local authority and during the Covid pandemic SLL staff, who were unable to deliver their SLL functions, were redeployed in the Covid response and their salaries were funded from sources other than SLL income. The Covid pandemic mainly impacted on the delivery of the housing standards inspections and delayed the programme by 18 months. Officers resumed carrying out the inspections and face to face work in June 2021. The housing inspections have identified an increase in number of properties with category 1 and 2 defects which has put increased demand on their time. Currently (October 2023) there are 600 housing inspections outstanding.

CRIME AND ANTISOCIAL BEHAVIOUR

Crime

During the period 1st October 2021 to 30th September 2023, Newport ward had the third highest rate of crime out of all wards across Middlesbrough. Newport ward has also consistently had the third highest rate of crimes marked as racially aggravated accounting for at least 12% of all racially motivated crime within Middlesbrough across the period. During this period there were a total of 5768 crimes, 47 of which marked as racially motivated, additionally there were 139 deliberate fires within the ward.

Whilst Newport ward remains the third highest ward in relation to the rate of crime per 1000 head of population, the general trend is decreasing. In Financial Year (FY) 2021/22 the crime rate was 116.3 crimes per 1000 Head of Population, this increased to 254.9 in FY2022/23, and currently in FY2023/24 the rate is at 106.2 per 1000. Whilst the rate of crime looks to be increasing considering this data only captures half of the financial year, it is currently still lower than in previous years. Currently in FY2023/24 there have been 1311 reported crimes, this was 3079 in 2022/23, 1378 in 2021/22, and 2975 in financial year 2020/21.



In summary: In Newport the levels of police reported crime have been continuously decreasing with levels in 2023-24 recording some of the lowest seen over the last 3 financial year periods. The total of 163 crimes in October 2023 is lower than in 2022 by 41.3%, lower than in 2021 by 36.3%, and lower than in 2020 by 29.4%.

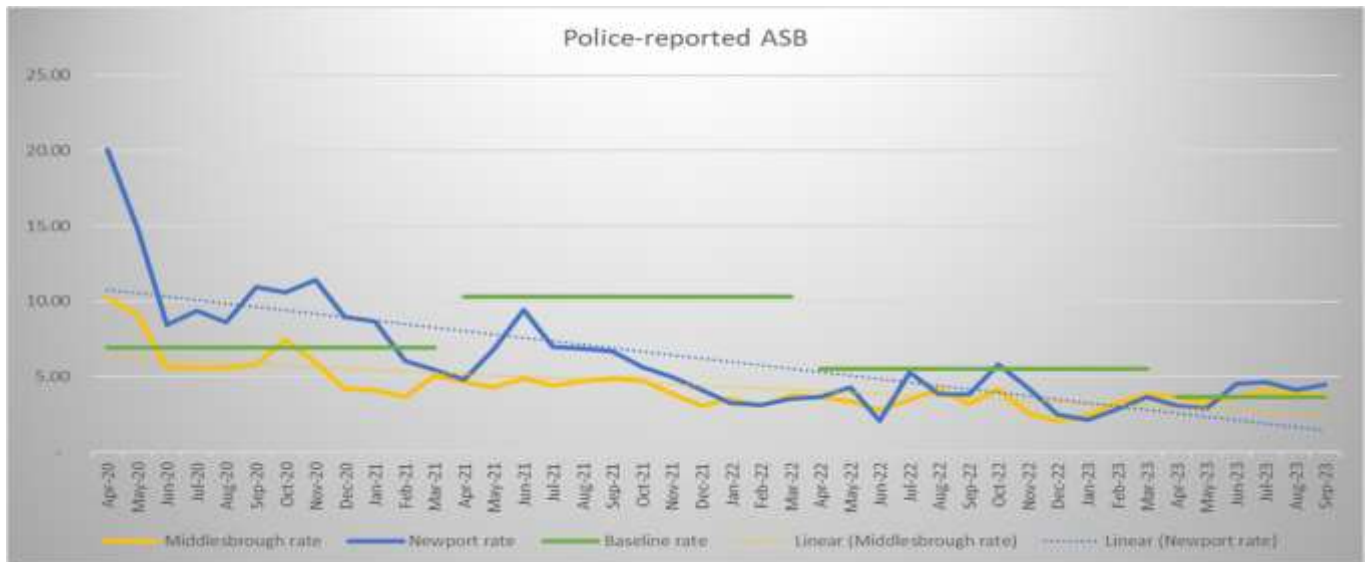
Antisocial Behaviour

Antisocial behaviour and crime can have a devastating effect on individuals and communities. It describes a wide range of everyday nuisance, disorder and crime from graffiti and noisy neighbours to harassment and street drug dealing. It is sometimes dismissed as trivial, but anti-social behaviour has a huge impact on victims' quality of life and it is often the public's number one priority when it comes to local concerns.

The types of anti-social behaviour which the Council's Neighbourhood Safety Officers regularly respond to with includes:

- Vandalism, graffiti, and other deliberate damage to property or vehicles
- Teenagers hanging around on the streets,
- Rubbish or litter lying around,
- Drug use and dealing,
- Drunk or rowdy behaviour,
- Chaotic families.

Currently in FY 2023/24 there have been a total of 3149 reported incidents of ASB to Cleveland Police, this is 42% lower than the full financial year of 2022/23 following a reduction in the previous year of 22%. This decrease can also be seen in Newport with the total of 287 ASB reports currently for financial year 2023/24 being lower than FY2022/23 by 46%, with last year also being lower than the one before by 64%.



In summary: ASB levels in FY2022-23 significantly reduced resulting in the yearly average also reducing, resulting in month-on-month levels so far in FY2023-24 appearing higher, but the levels of ASB counts per month overall are still lower than in 2020-21 and look to be somewhat static.

How SLL contributes to the reduction in Anti-social Behaviour.

Under the Selective Landlord Licence there are mandatory conditions in place which aim to address anti-social behavior. These mandatory conditions require:

- the licence holder to take reasonable and practical steps to reduce or prevent anti-social behaviour by persons occupying or visiting the house and the use of premises for illegal purposes.
- a written action plan to be provided to Middlesbrough Council outlining procedures for dealing with anti-social behaviour at the time of application. This must be reviewed annually, tenants made aware of it and submitted on request;
- to provide to the local authority, upon request, the full names and dates of birth of each occupant of the property;
- co-operation with Middlesbrough Council, Cleveland Police and other agencies in resolving complaints of anti-social behaviour or criminal activity. The Licence holder and/or their nominated Managing Agent must not ignore or fail to take action against any complaints regarding their tenants. Written records of action taken, shall be maintained and made available for inspection by an authorised officer of Middlesbrough Council on request;
- the appropriate authorities (namely Middlesbrough Council and Cleveland Police) are informed, where they have reason to believe that their tenant's behaviour involves criminal activity;
- regular (at least quarterly) inspections of the property to ensure that the property is in a good state of repair and that the occupiers are not in breach of tenancy terms and conditions. Written records of inspections made, conditions noted and actions taken as a result shall be maintained and made available for inspection by an authorised officer of Middlesbrough Council;
- that each tenant is made aware that they are responsible for their own behaviour and the behaviour of other occupiers and visitors.

HOW THE PROPOSED SELECTIVE LICENSING SCHEME WILL WORK

Licence application

Within the designated area all privately rented properties will need a licence to operate. The owner of the rented property will need to make an application to the Council. The Council must be satisfied that of all the people with an interest in the property, the most appropriate person is the licence holder, this would usually be the property owner.

The licence will be valid for a maximum 5 years, although the Council has discretion to grant the licence

for a shorter period of time where there are problems with the application such as evidence of insufficient management. Failing to apply for a licence could lead to prosecution and an unlimited fine. If prosecuted, this would lead to the licence holder no longer being classed as 'fit and proper' (see below) and would mean they would need to find someone else to hold their licence and undertake the management of the property.

Fit and Proper Person test (Appendix 2)

As part of the application process, proposed licence holders and managers will be required to prove that they are "fit and proper persons" and that they have satisfactory management arrangements in place, including those for dealing with anti-social behaviour. A plan for how they will handle complaints of anti-social behaviour will need to be submitted with the application.

When deciding whether a landlord and/or managing agent is "fit and proper" the Council will look at whether they have:

- (a) They have committed any offence involving fraud or other dishonesty, or violence or drugs, or any offence listed in Schedule 3 to the Sexual Offences Act 2003 (c. 42) (offences attracting notification requirements);
- (b) Practised unlawful discrimination as defined in the Equality Act 2010 on the grounds of sex, sexual orientation, gender reassignment, age, race, religion or belief, marital status, pregnancy, maternity, or disability in, or in connection with, the carrying on of any business; or
- (c) Contravened any provision of the law relating to housing or landlord and tenant law.

To check this, all applications will require detailed information from the landlord and any relevant managers.

A criminal conviction or evidence of unlawful discrimination or breaches of housing or landlord and tenant law doesn't necessarily mean that a landlord won't pass the test. The Council will have to look at every case individually and weigh up all the circumstances when making a decision. For example, the Council will have to think about:

- What the conviction was for;
- The circumstances of the case;
- How long ago it was and whether it is spent or not;
- Whether or not it will affect the person's ability to be a good landlord;
- The risk of the same thing happening again and whether that would affect the person's duties as a Licence Holder.

Landlords will be required to complete a Disclosure and Barring Service (DBS) Basic Disclosure online via Disclosure Scotland or similar company. Landlords with multiple properties will only be required to pay this fee once, if it is the same owner and manager.

Licence conditions

The licence holder will have to satisfy a number of conditions. Breaches of these licence conditions could lead to enforcement action and a fine of £5,000.

Mandatory conditions relate to the following requirements:

- a landlord must obtain references using Middlesbrough Council's FREE referencing service from all persons wishing to occupy the property,
- landlords must produce gas certificates,
- electrical appliances must be kept safe,
- the property must have working carbon monoxide alarms in any room in the house which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance,
- the property must have working smoke alarms and,
- each tenant must be provided with a written tenancy agreement.

The Council is proposing to include a number of discretionary conditions which relate to the management of the property, including general property management, security, management of antisocial behaviour and external refuse and waste. The proposed licence conditions are attached to this document at **Appendix 3**.

Refusal to grant a licence

If the licence application is refused, and there is no reasonable prospect of the property being licensed in the near future, the Council can apply for an Interim Management Order to take over the management of the property for up to one year or until such time as the owner is able to rectify the reasons for the licence being refused. If the owner is unable to rectify the problems then the Council can apply for a Final Management Order to take on the management for up to 5 years.

In some circumstances rather than refuse the licence, it may be possible for the owner to apply for a temporary exemption notice. This allows 3 months for the owner to take such steps as are necessary so the property no longer requires a licence e.g. the property has been sold to an owner-occupier.

Failure to apply

Failing to apply for a licence could lead to prosecution and an unlimited fine.

In addition to the fine the Council can apply for a Rent Repayment Order which allows amounts paid in connection with a tenancy or licence to be recovered for the period that the property should have been licensed.

Exemptions

There are certain properties that are exempt from applying for a licence, they are detailed at **Appendix 4**.

Property Inspection programme

The Council will inspect all private rented properties within the area of the scheme. High risk properties that are known to be problematic will be prioritised. The inspection programme will combine a housing standards inspection (Housing Health and Safety Rating Scheme) and also check for compliance with the selective licensing conditions including:

- the working order and positioning of smoke alarms,
- carbon monoxide detector,
- tenancy agreements supplied to the tenant,
- property management arrangements.

Compliance action will be taken against landlords who breach licence conditions. Action will be taken where issues of non-compliance with the HHSRS standard are identified. Landlords will not be deemed to be 'fit and proper' if housing offences are proven against them in the courts.

The inspections will be completed by a multi-agency/disciplinary team, this could include a Licensing Officer, Neighbourhood Safety Officer, an Environmental Health Officer or Regulatory Compliance Officer (when non-compliance with HHSRS standards are identified). This approach is to ensure that as well as checking compliance with the licence conditions, the tenants are helped and supported with any issues they may be facing. Issues may include substance misuse, parenting skills, unemployment; the team will make referrals to relevant agencies and follow-up any actions.

The other services offered through the tenancy relations support will be of benefit to landlords, tenants and the wider community to help to reduce the turnover of tenants. The licence holder must demand and obtain references for all prospective occupiers of the house to enable the licence holder to make an informed decision regarding occupancy of the property. All references shall be obtained by the licence holder via the **FREE** Middlesbrough Council, tenant referencing service.

The licence holder must retain all references obtained for occupiers for the duration of this licence and must provide Middlesbrough Council, upon demand and within 14 days of that demand, a copy of pre-let reference checks along with full names and dates of birth of each occupant.

Licence fees

The Housing Act 2004 gives the Council the power to charge landlords a fee for all costs it incurs carrying out its Selective Licensing functions. The Act also allows the Council to take into account costs incurred in carrying functions in relation to Interim and Final Management Orders (so far as they are not recoverable under that part of the Act).

The Council proposes to charge a basic fee of £998.00 for a licence.

The Council will split the licence fee payment into two instalments, one payment to be made upon application for a licence, with the other payment to be made upon the licence being granted.

The proposed fee structure is set out in detail at **Appendix 5**.

Income from the licence fees is ring fenced meaning that it can only be used for this project and not for any other reason. It is anticipated the scheme will require 4 x FTEs and 5 x 0.5 FTE to operate.

POTENTIAL AND PROVEN BENEFITS OF THE SELECTIVE LANDLORD LICENSING SCHEME

Introducing Selective Licensing in both Newport and North Ormesby ward has shown a number of benefits to the community, landlords, tenants and owners, both directly and indirectly, including:

- Improved management and condition of privately rented accommodation;
- Support for landlords in dealing with anti-social tenants;
- Reductions in levels of anti-social behaviour;
- Educating tenants about their responsibilities and their impact of their behaviour on the community and neighbours;
- Encouraging tenants to recognise when properties are of a sub-standard condition and what options are available to them;
- Promotion of landlord aspiration to let property to a higher standard and to act in a professional manner.
- Encouragement of landlords not to take tenants with a poor reference.
- Improvement of the image and desirability of the area.
- Improved values of property in the area.
- Encouraging a change to the tenure mix of the area. Protect investment in the area.
- Working with those landlords who are not providing good quality accommodation or managing their tenancies effectively and removing "rogue landlords" altogether.
- Reduced tenant turnover leading to sustainable communities, creating communities where tenants want to remain.
- Encourage the use of reputable managing agents when landlords are inexperienced or "absentee".
- Raising community confidence through the appropriate use of enforcement powers against landlords who are failing to comply with the provisions of the Housing Act 2004.
- Introduction of a landlords' forum.
- Free property advertising of empty properties.

The Council aims to build better working relations with landlords in the area and concentrate resources on eradicating bad practice by some landlords.

Licence conditions help to ensure that vulnerable tenants are living in accommodation where the management is capable of dealing with their needs.

It also helps the Council to better target resources in dealing with anti-social tenants and enforce against unprofessional landlords. Selective Licensing seeks to develop a more consistent level of property management services among all private landlords in the area, thus assisting prospective private tenants in making a positive, confident choice about their next home.

Reputable landlords can be assured that where Selective Licensing schemes are in place, those landlords whose business practices have not meet the required minimum standards have been encouraged and supported to improve their management standards. Landlords who are not willing to work with the Council could face being refused a licence and ultimately having a Management Order imposed against the property.

Case Studies from current and previous Schemes

Tenant Support: During a tenancy inspection visit with a landlord, it was identified that the tenant was struggling with mental health issues due to spiraling debts. Whilst at the property a debt enforcement agency arrived to reclaim goods to the value of the debt. Both the Officer and landlord negotiated on the tenant's behalf, providing evidence that the property was a furnished tenancy and that their only belongings were clothing and toiletries. The Tenancy Relations Officer arranged an appointment for the tenant to attend Citizens Advice and also made a referral to Firmer Foundations (mental health support). During the Citizens Advice appointment, the tenant disclosed significant debts; therefore a Debt Relief Order was applied for (due to severe mental health issues) and a food bank voucher was issued. The tenant has now applied for different benefits and is receiving the much-needed support they required.

Property Conditions: The SLL Team had arranged numerous inspection visits to a property but the tenant repeatedly wouldn't allow access. An evening visit was made and the tenant finally opened the door. The tenant was initially angry as they were confused as to who their managing agent was as they kept changing. The tenant agreed for officers to carry out the inspection which highlighted at least four Category 1 (most serious) Hazards in the property. These included: no boiler, no heating, no hot water, the bathroom roof had fallen in (which was propped up with pole), the kitchen was inaccessible and had no cooking facilities. Due to the condition of the property and the hazards identified, a Prohibition Order was served. The Landlord has since installed a new boiler, new kitchen (including cooking facilities), new bathroom roof, bathroom suite, new rear windows downstairs and a new back door. The landlord has also informed the tenant that he is going to supply new carpets in the property downstairs.

Landlord Support:

The Selective Licensing team have assisted landlords with difficult housing benefit claims and successfully helped landlords receive payments for housing benefits, even after they have been determined as closed. A recent claim dating back more than 8 months was paid after intervention from the team. This claim amounted to more than £3000 and prevented tensions arising between the tenant and the landlord and ultimately a possible eviction.

Testimonials from Newport 1 Scheme

Stacey Carlisle Deputy Head Teacher Newport Primary School - *"As a school we have found it very helpful to know that we can refer families to SLL. Many of our families are new to the area, or indeed new to the country, and find themselves in properties which are not fit for purpose. On occasion they are not aware that the home conditions are unacceptable and worry that raising concerns may result in them losing their homes. This can be stressful and impacts greatly upon the children and parents. Now we know that when a family comes to us for help, we can refer them to SLL who have always been hugely supportive. They make sure that the families know their rights and help them to resolve their housing issues quickly and efficiently, ensuring that safety and home conditions meet expected standards. The service families receive has always been timely and professional and we have had lots of families very grateful for their support".*

Police Testimonial (Inspector 0895 Darren Birkett Middlesbrough North NPT) – *"As Neighbourhood Inspector I am delighted with the partnership we have with the Selective Licensing Scheme colleagues. On a daily basis we share intelligence and work closely together to support individuals and communities and to tackle and disrupt those who cause harm to our communities. We regularly combine assets to*

safeguard individuals but also to enforce legislation such as house closure orders”.

Evaluation of the first Newport 1 scheme

An evaluation of the Newport 1 Selective Landlord Licensing Scheme has been undertaken using guidance from Local Government Regulation. (Appendix 1) The evaluation seeks to identify the effectiveness of Selective Licensing in:

- reducing anti-social behaviour attributable to the private rented sector;
- improving management standards in the private rented sector;
- increasing housing demand;
and, in addition, the wider benefits relating to:
- improving the environment; and
- contributing to the effectiveness of partnership working to improve the quality of life.

The evaluation has also taken account of findings from an Independent Review of the Use and Effectiveness of Selective Licensing which was carried out by Ministry of Housing, Communities and Local Government (MHCLG June 2019, Updated September 2019).

In summary, the main findings of the evaluation report are:

- House prices in the Newport ward have started to increase. In 2019 the average house price was £48,585 and as of 2022 has since increased to £66,000.
- The overall number of empty properties have reduced. In 2019 Newport ward had 418 empty properties, 246 long term empty (More than 6 months). In 2022 empty properties 298, 178 long term empties (more than 6 months).
- The number of private rented properties which have been inspected has increased and housing conditions have improved. During the scheme to date 556 properties have been inspected. Serious housing hazards were identified on 383 (category 1 & 2) properties and have been addressed to protect tenants. Smoke alarms checks have been carried out on all housing inspections to ensure they are provided in properties.
- Anti-social behaviour has been tackled through a wide range of interventions by the SLL team;
 - 5254 low Interventions. These include telephone call/e-mail, letter drop, diary sheets received, initial warning letters, motorbike warning letter, site meetings, referrals into other services for support and joint patrols.
 - 43 medium interventions. These include second warning letters, final warnings, ABC issued, ABC breached, joint interviews and tenancy breach interviews.
 - 79 high level interventions. These include Criminal Behaviour Orders, Civil Injunction, House Closures (all for high levels of persistent antisocial behaviour and a last resort after all low and medium level interventions have been exhausted).
- There has been a reduction in personal and nuisance antisocial behaviour incidents from 1023 in 2019 to 455 in 2022 (-44%)
- 111 post tenancy visits have been carried out to provide support to the tenant on a wide range of issues including substance misuse, parenting skills, unemployment;
- 501 tenants have been provided with Information Advice and Guidance on a range of issues.
- Whilst the number of environmental antisocial behaviour incidents remain high, the Council have introduced the Flying squad to deal with and take enforcement action.
- There has been a relatively low number of legal cases taken against landlords for not licensing their properties, 5 landlords applied before their cases were scheduled for court, 1 landlord accepted a caution as an alternative to prosecution, 2 landlords applied following the issue of a summons and 1 case is pending a Civil Penalty
- Support for landlords – the scheme in Newport has supported landlords in the following ways:
 - Free empty property advertising;
 - Dedicated Neighbourhood Safety Officer;
 - Dedicated tenancy relations officer;
 - Housing and tenancy support/advice;
 - Supported tenant/landlord disputes over rent arrears preventing eviction;

- Referencing;
- Post tenancy visits for red referenced tenancies.

The Evaluation Report recognises that the Selective Landlord Licensing scheme has made a major contribution to the achievements in Newport working together with key partners. It is also recognised that the strong community infrastructure in the area has played a significant role in delivering the outcomes. It should also be noted that the intensive approach to delivering services in Newport from a number of agencies and partners is considered one of the key factor in its success.

The full Evaluation Report is available upon request.

HOW SELECTIVE LICENSING WILL SUPPORT STRATEGIES FOR THE AREA

Housing plays a fundamental role in delivering sustainable communities, facilitating social and environmental improvements and promoting economic growth. The Council believes that Licensing has an important role to play and offers valuable support to existing initiatives to tackle empty homes, prevent homelessness, create sustainable, high quality neighbourhoods and reduce anti-social behaviour.

Middlesbrough Council Strategic Plan (2021-24)

The proposal for Newport clearly links to the Council strategic plan in terms of its contribution to people and place priorities, which are:

People Working with communities and other public services in Middlesbrough to improve the lives of local people.

Place Securing improvements in Middlesbrough's housing, infrastructure and attractiveness, improving the town's reputation, creating opportunities for local people and improving our finances.

Health and well-being

Housing has an important impact on health and well-being: good quality appropriate housing in places where people want to live have a positive influence on reducing deprivation and health inequalities by facilitating stable/secure family lives. This in turn helps to improve social, environmental, personal and economic well-being. Conversely, living in housing which is in poor condition, overcrowded or unsuitable will adversely affect the health and well-being of individuals and families.

As mentioned, the Selective Licensing Team promote multi-agency case intervention strategies where problems are identified.

Private rented sector

Many properties in the sector provide decent accommodation and are well managed by landlords. Selective licensing is a vital tool in driving up standards. It reduces the negative impact on neighbourhoods of poor landlords and encourages greater awareness and a sense of responsibility in landlords and tenants alike.

The Council's Private Rented Sector Housing Team will continue to employ a wide range of tools to tackle poor property condition, inadequate tenancy management and improve conditions in the private rented sector. These tools include:

- Mandatory HMO Licensing
- Empty Property Enforcement
- Housing Health and Safety Rating System (HHSRS)

By designating the area for selective licensing the Council is fully utilising the suite of tools introduced by the Housing Act 2004 to address management standards and property conditions within the private rented

sector. As part of a coordinated approach, Selective Licensing compels landlords to maintain good standards and raise the profile of problem properties. Through the increased awareness through tenancy referencing, amongst the community and across agencies, Selective Licensing has become a valuable mechanism for identifying and dealing with bad practice amongst private landlords.

Anti-social behaviour

Selective Licensing helps to ensure that landlords meet their statutory duties regarding tenancy management and encourages and assists them to deal with issues of anti-social behaviour by taking appropriate and effective action where they receive a complaint about their tenants.

There is a range of other initiatives that are targeted at reducing crime and anti-social behaviour operating across the Newport ward and the Selective Licensing team work in close partnership with other services and agencies to maximise the impact and contribute to improved community safety.

The Selective Landlord Licensing Team promote multi-agency case intervention strategies where problems are identified, which can include actions for the Police, the Youth Offending Team, ASB, and Housing Enforcement teams. Landlords are offered support and advice to help tackle anti-social behaviour from their tenants.

Prevention of Homelessness Strategy

The private rented sector has a central role to play in offering a decent alternative to owner-occupation or social rented housing. The sector makes a significant contribution to meeting the housing needs of vulnerable people and in many cases has prevented homelessness and minimised the use of temporary accommodation.

The Council continues to work in partnership with the private rented sector and Selective Licensing strengthens this partnership by increasing the number of landlords working with the Council with well-managed, good quality accommodation.

By strengthening the partnership between landlords and the Council, Selective Licensing can continue to contribute to the prevention of homelessness through effective tenancy management that minimises ASB, tackles rent payment issues in a timely and constructive manner and offer a housing option for some of the most vulnerable households in need of a home.

The Localism Act 2011 enabled the use of suitable offers of accommodation in the private rented sector and allowed this sector to be used to discharge the main homelessness duty. Against the backdrop of high demand but a shortage of accessible, affordable social housing, the sector has increasingly become a valuable resource for offering a range of more easily accessible housing solutions for homeless households, but elements of poor management contribute to repeat homelessness. Licensing has the potential to effect long term positive change in the sector and to provide considerable benefits to homeless households.

It is anticipated that this Selective Licensing scheme will help achieve a long-term reduction in the culture of 'tenancy hopping', i.e. the practice of households who are frequently homeless due to anti-social behaviour, and who may be aided by rogue landlords to move around the sector, which prevents underlying behavioural issues from being tackled and which blights local communities.

Empty Homes Strategy.

In Middlesbrough there were 1147 homes empty for six months or more (1st October 2023.) The Council has already begun to tackle this issue and to date has, amongst other things, secured funding from the Homes and Communities Agency and adopted an Empty Homes Action Plan to bring empties back into use.

An important part of the strategy to tackle empty homes is actively targeting owners and providing them with information on the incentives available and the reasons why empty properties are a poor financial

option. In some cases encouraging owners will not be enough and the Council will need to take strong enforcement action. Selective Licensing has helped strengthen the partnership between landlords and the Council and the benefits Licensing delivers to the area contributes to tackling problem empty properties, as has been seen in Newport and North Ormesby.

Place Based Working

The locality based working approach in Newport is a strategic priority. It aims to build on the intensive targeted delivery of services working in partnership and the Selective Licensing team is an integral part of this.

Locality working involves a system change to the current operational delivery model across Council services. It seeks to achieve joined-up systems and reconfigure relationships between statutory organisations, partners and the community. It involves developing collaborative approaches to address the underlying causes of community problems and build capacity within the community in order for residents to take charge of their own future, to have a strong voice and to build social capital and connections within the community. Locality Working commenced with two pilots in Newport and North Ormesby and currently a town wide approach focusing on four Neighbourhood Action Partnership areas is being developed.

Evidence shows that having multi-agency teams working together from one location brings benefits. It reduces the need for referrals when a quick conversation with a member of the team can identify the most appropriate course of action. Through better information sharing it also provides an opportunity to identify support needs early and proactively intervene to prevent crisis.

ALTERNATIVE REMEDIES AND WHY THE COUNCIL CONSIDERS THEY ARE INSUFFICIENT

The Council has considered whether there are any other courses of action available that might provide an effective method of achieving the objectives that the designation is intended to achieve.

The following paragraphs consider other powers and projects that are available to the Council and why they could not replace the proposed Selective Licensing designation in Newport.

Accreditation

Accreditation is a mechanism for helping landlords or agents to meet agreed standards of competence, skills and knowledge about the business of owning, managing or letting a private rented home.

Accreditation is supported nationwide by a wide range of stakeholders, including the Government, landlord associations, local authorities, Shelter, the National Union of Students and the Chartered Institute of Environmental Health. It can aid the supply of good-quality, well-managed homes.

Accreditation attracts a limited number of landlords, mainly those already providing appropriate management standards and who are motivated to improve the reputation of the private rented sector. Such schemes do not have an intensive impact in any one area, nor do they tackle the worst privately rented properties, as due to the voluntary nature the worst landlords will not engage with the Council or join the scheme.

Experience shows that it is resource intensive to encourage the poorer landlord to join accreditation and when asked to make improvements due to its voluntary nature many landlords fail to comply showing that accreditation cannot tackle the worst standards of property condition and management practices.

Traditional interventions do not provide the level of engagement with landlords necessary for the desired improvements. Landlord take up of previous accreditation schemes have been very low, they tended to only engage with responsible landlords who saw a value in being part of a scheme. An example of a non-mandatory scheme is the Stockton Pluss model which is run by landlords. Stockton Council figures show that they had 80 members for this scheme with 539 properties and not all landlords who opposed their SLL scheme joined the accredited scheme.

Enforcement of housing standards

The Housing Act 2004 introduced the Housing Health and Safety Rating Scheme (HHSRS) which allows local authorities to inspect privately rented properties to ensure the condition of that property does not have an adverse effect on the health, safety or welfare of tenants or visitors to that property. Where necessary the Council will serve statutory enforcement notices to ensure the condition is improved.

The current service is in the main reactive - a complaint will be made and an inspection will determine whether action needs to be taken. Whilst this approach does improve property conditions it does not have a concentrated impact in one area. In addition, this power does not tackle property management standards. There is significant underreporting of poor standards in the private rented section. Often tenants are either unclear on their rights in relation to poor housing standards or they are unwilling to complain due to fear of losing their homes or reprisals from some landlords

Through the selective licensing designation, proactive inspection of private rented sector properties against the HHSRS standards will be undertaken. The associated training, advice and support, will enable landlords to recognise what improvements need to be made to their properties, reducing the need for action under the HHSRS.

Enforcement action will be taken to improve property conditions, where necessary. Improved property conditions will assist in retaining tenants and attracting occupants to the area assisting in tackling low demand.

Management Orders

Part 4 of the Housing Act 2004 introduced the use of Management Orders. The general effect of a Management Order is that the Council takes control of the property, although legal ownership does not transfer from the landlord. There are two forms of Management Order, interim and final. Interim lasts for a period of 12 months which can then be followed by a final Management Order which lasts for a maximum of 5 years.

Once a Management Order is in place the Council takes over the management of the property. The occupiers pay their rent to the Council and any repair costs such as routine repairs or building insurance are taken from the rent before any surplus is given to the owner (landlord).

This power only deals with individual properties and is resource intensive.

This approach does not present a long term solution to address poor management of privately rented stock as the property is returned to the original owner who may not necessarily have improved their management standards in the interim.

The Council will use Management Orders in the designation area as a last resort to deal with landlords who fail to comply with selective licensing and improve their management standards.

Private Sector Leasing Scheme

A Private Sector Leasing Scheme is where the Council takes out a lease, normally 3 to 5 years in duration, from a private owner or landlord on their property. The Council then uses the property to provide affordable accommodation for homeless families.

There is no guarantee that landlords, especially the worst, will join the scheme and the Council cannot compel them to do so. As with Management Orders the scheme does not address poor management practices as the landlord does not gain experience, advice or training during the lease meaning that once handed back management standards will once again be unsatisfactory.

Targeted Housing Inspections Pilot in Central ward (THIP)

Between October 2022 and March 2023, a proactive housing inspection initiative was undertaken in a small area of Central Ward. This Targeted Housing Inspection Pilot (THIP) was developed to investigate

private rented housing conditions in the Central ward and to encourage landlord voluntary engagement.

The initiative aimed to look at the physical condition of properties and to ensure that landlords or agents were meeting their legal responsibilities, including gas safety and electrical safety and meet minimum energy efficiency performance standards. In addition to the assessment of property conditions tenants were also offered support in relation to a wide range of matters including cost of living issues, health needs and financial advice and referrals/signposting to local advice and support services.

Over 300 letters were sent to landlords and tenants informing them of the THIP, that Council Officers would be carrying out housing standards inspections of the property and for landlords to allow officers access to their properties. Landlords were asked to contact the Public Protection Service to arrange an inspection of their property.

There was a poor response to the letters. Only 140 (47%) landlords responded to the letters to arrange an inspection of their properties. Out of these 140 properties access was only gained to 42 properties for a housing inspection to be carried out.

Whilst some landlords did provide access to their property, this initiative shows the difficulty that voluntary schemes have in engaging with some landlords and also their tenants. Often tenants do not wish to provide access for fear of eviction from their home by their landlord and concern that alternative affordable accommodation would be difficult to find.

Alternative approaches – summary

In summary the alternative options to selective licensing would require some, if not all, of the finance from the Council. Selective Licensing will be self-financing, paid for by the licence applicants and not through the Council.

Problems relating to the use of the alternatives to Selective Licensing can include the following:

- They are expensive and there is the likelihood that some of the finance required would need to be collected from Council Tax. This seems unjust when many of the problems are caused by the lack of effective tenancy management. Selective Licensing will be self-financing, paid for by landlords.
- The use of Management Orders on all problematic properties would be neither appropriate nor feasible, given the number of properties. The Council must act in a proportionate manner and a heavy handed approach would undermine efforts to work with landlords to improve standards. Selective Licensing provides an opportunity to continue to forge partnerships with otherwise anonymous private landlords and provide training and support, where the use of these orders does not.
- Alternatives do not adequately tackle the private tenant's behaviour. This could result in the same "problem" tenant being left to float within an area without any real targeted tenancy enforcement and where required, supported tenancy referral. The proposed Selective Licence conditions include a requirement for the landlord to seek references when allocating the property and to deal with any complaints of anti-social behaviour from their tenants (and/or their visitors/children).
- None of these tools provides a long-term solution to the training of inexperienced landlords whose business would benefit, either because they are not fit, or because of their poor management arrangements.
- Whilst Selective Licensing is only to be used in areas where authorisation is sought and given, many private landlords have properties across the entire town and indeed across local authority borders. Therefore, improvements attained in management standards will have a trickledown effect and will benefit tenants and communities across wider areas.

There is no single solution and each alternative approach has its limitations. No single intervention, including Selective Licensing, can solve the issues identified in Newport and therefore a co-ordinated strategy is required which links a full range of agencies and services using various interventions.

CONSULTATION – OPPORTUNITIES TO ENGAGE & RESPOND

The consultation is being carried out over a 10 week period and will be widely publicised using various channels of communication.

The consultation will start on 2nd January 2024, 9am and close on 12th March 2024, 12 Noon.

Once the consultation has been completed the results will be published and made available to the local community.

The Council is required to consult with local residents, including tenants, landlords, managing agents and other members of the community who live or operate businesses or provide services within the proposed designation and those in the surrounding area which is shown on the map at **Appendix 1**.

Everyone who responds to this consultation will have their views fully considered.

A comprehensive engagement and consultation process with partners, stakeholders and customers will include:

- Private landlords
- Private tenants
- Local communities
- Tenant and resident associations
- Landlord associations
- Citizens Advice Bureau
- Registered Social Landlords
- Local community committees
- Locally elected members
- Local businesses
- Middlesbrough Police
- Other Council service areas.

Methods of consultation

Consultation will be taking place using the following methods:

- Direct mail to landlords and residents.
- Direct mail to local community groups.
- Press release to local media/press.
- Information on Middlesbrough Council's website.
- Email to all Ward Councillors.
- Email to all relevant Council service areas.

How to respond to the consultation

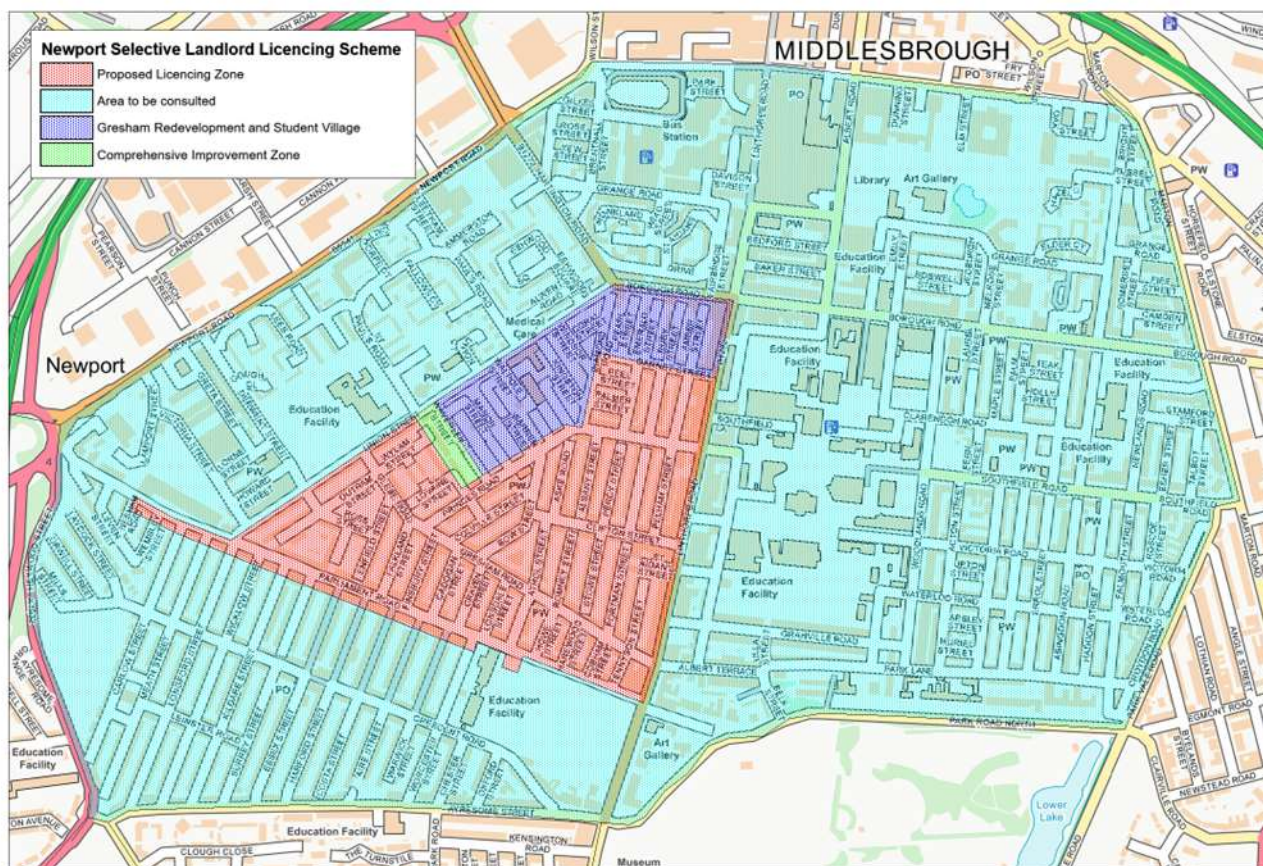
A questionnaire will be available to complete on the Council's website, a paper version of which can be downloaded from the website.

You can hand your completed questionnaire in at the reception desks at Streets Ahead on Parliament Road and Newport Hub on Union Street. Email: licensing_consultation@middlesbrough.gov.uk, Telephone: 01642 728100

If you would like any further information about the Selective Licensing proposals please contact the Selective Landlord Licensing Consultation Team on 01642 728100, or please email the team on: licensing_consultation@middlesbrough.gov.uk

Appendix 1

Map



Appendix 2

FIT AND PROPER PERSON CHECKS

Middlesbrough Council, for the purposes of deciding whether to grant or refuse an application for a licence under section 88(3) (a) or (c) of the Housing Act 2004, will (among other things) have regard to the evidence that the person is a fit and proper person to be the licence holder or (as the case may be) the manager of the house. Middlesbrough Council will evaluate and take into account any evidence of:

- (a) They have committed any offence involving fraud or other dishonesty, or violence or drugs, or any offence listed in Schedule 3 to the Sexual Offences Act 2003 (c. 42) (offences attracting notification requirements);
- (b) Practised unlawful discrimination as defined in the Equality Act 2010 on the grounds of sex, sexual orientation, gender reassignment, age, race, religion or belief, marital status, pregnancy, maternity, or disability in, or in connection with, the carrying on of any business; or
- (c) Contravened any provision of the law relating to housing or landlord and tenant law.

A criminal conviction or evidence of unlawful discrimination or breaches of housing or landlord and tenant law doesn't necessarily mean that a landlord won't pass the test. The Council will have to look at every case individually and weigh up all the circumstances when making a decision. For example, the Council will have to think about:

- What the conviction was for;
- The circumstances of the case;
- How long ago it was and whether it is spent or not;
- Whether or not it will affect the person's ability to be a good landlord;
- The risk of the same thing happening again and whether that would affect the person's duties as a Licence Holder.

In addition Middlesbrough Council will also examine evidence:

- (a) If it shows that any person associated or formerly associated with the landlord or managing agent (whether on a personal, work or other basis) has done any of the things set out in subsection (a) to (c) above, and
- (b) It appears to the council that the evidence is relevant to the question whether the landlord is a fit and proper person to be the licence holder or (as the case may be) the manager of the house.

Middlesbrough Council will consider that a person is not a fit and proper person if a banning order under section 16 of the Housing and Planning Act 2016 is in force against the person.

For the purposes of the fit and proper test Middlesbrough Council will assume, unless the contrary is shown, that the person having control of the house is a more appropriate person to be the licence holder than a person not having control of it.

Middlesbrough Council in deciding for the purposes of whether the proposed management arrangements for the house are otherwise satisfactory, will have regard (among other things) to the following considerations:

- Whether any person proposed to be involved in the management of the house has a sufficient level of competence to be so involved;
- Whether any person proposed to be involved in the management of the house (other than the manager) is a fit and proper person to be so involved; and
- Whether any proposed management structures and funding arrangements are suitable.

**Appendix 3
LICENCE CONDITIONS**

Mandatory Conditions Schedule 4 Housing Act 2004

1. Gas

If gas is supplied to the house, the Licence holder is to produce to Middlesbrough Council annually for their inspection a gas safety certificate obtained in respect of the house within the last 12 months.

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004.

2. Electrical Installation

The Licence Holder is required to ensure that every electrical installation in the house is in proper working order and safe for continued use; and to supply to Middlesbrough Council, on demand, with a declaration by him as to the safety of such installations.

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004.

3. Electrical appliances and furniture

The Licence holder shall keep all electrical appliances and furniture made available by them in the house in a safe condition and to supply to Middlesbrough Council on demand with a declaration by them as to the safety of such appliances and furniture.

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004.

4. Smoke alarms

The Licence Holder is required to ensure that a smoke alarm is installed on each storey of the house on which there is a room used wholly or partly as living accommodation and to keep any such alarm in proper working order.

The Licence Holder is required upon demand by Middlesbrough Council to supply a declaration as to the condition and positioning of such alarms.

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004, The Smoke and Carbon Monoxide Alarm (England) Regulations 2015 and to comply with minimum fire safety standards LACORS.

5. Carbon Monoxide alarms

The Licence Holder is required to 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 fixed combustion appliance other than a gas cooker, and to keep any such alarm in proper working order.

The licence holder is required upon demand by Middlesbrough Council to supply a declaration as to the condition and positing of such alarms.

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004, The Smoke and Carbon Monoxide Alarm (England) Regulations 2015 and to comply with minimum fire safety standards LACORS.

6. 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.

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004

Additional Conditions of Licence imposed by Middlesbrough Council

The Licence holder must ensure that the premises fully comply with the conditions set out below unless notified otherwise

7. Tenant references

The licence holder must demand and obtain references for all prospective occupiers before they

are offered a tenancy of the house to enable the licence holder to make an informed decision regarding occupancy of the property.

All references shall be obtained by the licence holder via the **FREE** Middlesbrough Council, tenant referencing service using the Council's approved form. A tenancy reference check will only be completed if all of the information requested has been provided and validated.

The licence holder must retain all references obtained for occupiers for the duration of this licence and must provide Middlesbrough Council, upon demand and within 14 days of that demand, a copy of pre-let reference checks along with full names and dates of birth of each occupant.

NOTE: Details of how to contact Middlesbrough Council in respect of the tenant referencing service can be found at: <https://www.middlesbrough.gov.uk/housing/landlords/selective-landlord-licensing-scheme/>

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004

8. General/Property management

The Licence holder shall ensure that:

- a) all repairs to the house or any installations, facilities or equipment within it are carried out by competent and suitably qualified person(s), for example Gas Safe registered operatives for gas appliances and an electrical contractor who is a member of an approved scheme, such as NICEIC, BSI, NAPIT, ELECSA or BRE.
- b) all occupants of the house receive written confirmation detailing arrangements in place to deal with repairs and emergencies.
- c) if the property is provided with electrical appliances, copies of user manuals will be supplied to the tenant.
- d) all occupiers are made aware of the licence and its conditions.

Reason: To safeguard the health, safety and well-being of occupants.

9. Security

The Licence holder shall ensure that:

- a) where alley gates are installed to the rear of the licensed property, tenants are made aware of how to obtain a key.

Reason: To safeguard the health, safety and well-being of occupants.

10. External areas, refuse and waste

The Licence holder shall ensure that:

- a) the tenants are instructed in their responsibilities in respect of refuse storage and disposal, to include details of what day refuse collections take place and what type of receptacle to use for household waste and recycling;

Reason: To ensure that the domestic hygiene and condition of the licensed property is maintained.

11. Training

The Licence holder and/or Manager shall undertake property management training courses or information days, where required to do so by Middlesbrough Council.

Reason: To enable the Council to provide licence holders with the knowledge and expertise to improve the management of their properties.

12. Management / Anti-social behaviour

The Licence holder shall take reasonable and practical steps to reduce or prevent anti-social behaviour by persons occupying or visiting the house and the use of premises for illegal purposes. The Licence holder shall:

- a) provide a written action plan to Middlesbrough Council outlining procedures for dealing with anti-social behaviour at the time of application. This must be reviewed annually, tenants made aware of it and submitted on request;
- b) provide the local authority, upon request, the full names and dates of birth of each occupant of the property;
- c) cooperate with Middlesbrough Council, Cleveland Police and other agencies in resolving complaints of anti-social behaviour or criminal activity. The Licence holder and/or their

nominated Managing Agent must not ignore or fail to take action against any complaints regarding their tenants. Written records of action taken, shall be maintained and made available for inspection by an authorised officer of Middlesbrough Council on request;

- d) ensure that the appropriate authorities (namely Middlesbrough Council and Cleveland Police) are informed, where they have reason to believe that their tenant's behaviour involves criminal activity;
- e) make regular (at least quarterly) inspections of the property to ensure that the property is in a good state of repair and that the occupiers are not in breach of tenancy terms and conditions. Written records of inspections made, conditions noted and actions taken as a result shall be maintained and made available for inspection by an authorised officer of Middlesbrough Council;
- f) ensure that each tenant is made aware that they are responsible for their own behaviour and the behaviour of other occupiers and visitors.
- g) the name and contact details of the Licence holder and/or manager must be supplied to each occupier and must also be on display in a prominent place.
- h) produce on request liability insurance.

Reason: To safeguard the well-being of occupants, persons visiting the premises and persons in the immediate locality.

13. Notification / consultation of changes

The Licence holder and Managing Agent shall consult with Middlesbrough Council before making any material changes to the layout, amenity provision, fire precautions or occupation of the house. They must also inform Middlesbrough Council of:

- a) when you sell the property in order that your licence can be revoked.
- b) details of any convictions not previously disclosed to the local authority that may be relevant to the Licence holder and/or the property manager and their fit and proper person status and in particular any such conviction in respect of any offence involving fraud or dishonesty, or violence or drugs or any offence listed in Schedule 3 to the Sexual Offences Act 2003;
- c) details of any finding by a court or tribunal, not previously disclosed, against the Licence holder and /or the manager that he/she has on the grounds of sex, sexual orientation, gender reassignment, age, race, religion or belief, marital status, pregnancy, maternity, or disability in, or in connection with, the carrying on of any business;
- d) details of any contravention, not previously disclosed, on the part of the Licence holder or manager of any provision of any enactment relating to housing, public health, environmental health or landlord and tenant law which led to civil or criminal proceedings resulting in a judgment or finding being made against him/her;
- e) information about any property, not previously disclosed, the Licence holder or manager owns or manages or has owned or managed for which a local housing authority has refused to grant a licence under Part 2 or 3 of the Act, or has revoked a licence in consequence of the Licence holder breaching the conditions of his/her licence;
- f) information about any property, not previously disclosed, the Licence holder or manager owns or manages or has owned or managed that has been the subject of an Interim or Final Management Order under the Housing Act 2004;
- g) notification of repossession/foreclosure;
- h) successful claims against the Licence holder for default of tenancy deposits;
- i) change in managing agent or the instruction of a managing agent;
- j) the undertaking of substantial works to the property, including conversions and modernisations or emergency problems relating to fire, flood or disaster and the tenants are made temporarily homeless.

Reason: To safeguard the health, safety and well-being of occupants in the event of changes during the period of the Licence and to enable the Council to decide whether the licence holder continues to be fit and proper to hold a Selective Landlord Licence.

14. Absence

The Licence holder shall have in place suitable emergency and other management arrangements in the event of their absence.

Reason: to safeguard the health, safety and well-being of occupants in the event of temporary absence of persons in control.

15. Compliance inspections

The Licence holder shall allow Middlesbrough Council to undertake Licence compliance checks. Council officers will give the Licence holder at least 24 hours' notice of these checks and produce valid authorisation at the time of the visit.

Reason: To ensure that the property complies with the Housing Act 2004 and Licence conditions.

APPENDIX 4

EXEMPTIONS

Properties that are exempt from requiring a licence are those that are:

1. Subject to a Prohibition Order, under Section 20 of the Housing Act 2004, that has not been suspended.
2. Business premises.
3. Houses in Multiple Occupation (HMO) that require a statutory HMO licence.
4. Tenancies for agricultural land/holdings.
5. Controlled by a local housing authority, Police authority, Fire and Rescue authority or a Health Service body.
6. Occupied solely by students undertaking a full-time course of further or higher education, and where the person managing or in control of it is the educational establishment.
7. Tenancies granted for more than 21 years and the agreement does not allow the landlord to end the tenancy earlier than the term of the lease (the property must be occupied by the original person who was granted the tenancy or members of their family).
8. The tenant is a member of the landlord's family. (The house must be the occupier's main residence. The person granting the occupancy must be the freeholder or leaseholder, which is for a period of more than 21 years. This lease must not contain a provision allowing the landlord to end the tenancy earlier than the term of the lease);
9. Tenancies or licenses granted for the occupancy of a holiday home.
10. Accommodation that the occupier shares with the landlord or licensor or a member of the landlord or licensor's family.

APPENDIX 5

FEE STRUCTURE

Fee and charging structure for the implementation of Selective Landlord Licensing in Newport ward (Newport 1).

Part 3 of the Housing Act 2004 enables the Council to require the application for a Licence to be accompanied by a fee fixed by the Council.

The Council is not permitted to make a profit from the introduction of a Selective Landlord Licensing scheme and any surplus must be ring-fenced to the scheme. The fees should, however, take account of all costs incurred in carrying out all duties under this part of the Act.

Licence Fees

To meet the costs involved in running the Selective Landlord Licensing Scheme it is proposed to charge fees of:

- £998 per Single Occupancy Household Unit

This fee has been calculated based on the cost to run the various elements of work needed to administer and enforce the scheme; the number of officers required to fulfil these tasks and the officer time needed to complete them were identified and then costed.

Where a licence is refused or revoked, the applicant or licence holder will not be entitled to any refund of fees and will be required to pay any outstanding charges linked to the application.

Applications resulting from a change in ownership of a licensed property will be charged the full standard fee.

Owners should give careful consideration to the person designated as Licence holder as licences run for a maximum of 5 years and are non-transferable. If the licence holder changes for any reason, the full licence fee is payable by the first licence holder and the new licence holder will also need to pay the full standard fee. The new licence holder will not incur a penalty charge as long as the application form, fees and documentation are received within three months of the change of ownership/manager.

Applications for licences in the last twelve months of the designation will be eligible for a reduced fee of 50% of the second payment, where properties have not been licensable prior to the 12 month deadline.

The Council will look to recoup its additional costs where landlords fail to come forward during the licensing timescales or provide incomplete applications which requires additional work from the team.

Method of Payment

This fee is divided into two payments the second only becoming payable when it is decided the landlord is fit and proper to be issued with the licence. The first £499, will be used to administer the application and fit and proper process. The second £499 will be used for the ongoing administration and the enforcement of the legislation associated with the scheme.

