

Report to:	Cabinet	Date of Meeting:	Thursday 7 September 2017
Subject:	Housing Selective and Additional (HMO) Licensing Scheme Proposals		
Report of:	Head of Regeneration and Housing	Wards Affected:	Blundellsands; Cambridge; Church; Derby; Dukes; Kew; Linacre; Litherland; Victoria;
Portfolio:	Cabinet Member - Communities and Housing		
Is this a Key Decision:	Y	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No.		

Summary:

To consider the results of the formal public consultation on our proposal to introduce selective and additional housing licensing schemes, as previously approved by Cabinet in December 2016.

To seek approval to implement both a Selective licensing scheme and two Additional HMO housing licensing schemes in designated areas of the borough, together with associated matters.

Recommendation(s):

That Cabinet

1. Approve the introduction of a selective licensing scheme in the defined area of Bootle and two additional HMO licensing schemes in the defined areas of central Southport and areas of Waterloo/Seaforth.
2. Approve the proposed fee structure along with the recommended fee reductions and exemptions.
3. Approve a commencement date for the schemes of 1st March 2018.
4. Approve the proposed licence conditions, as set out in Background Papers 8 & 10.
5. Authorise the preparation and publication of a Public Notice of designation under sections 80 and 83 of the Housing Act 2004. This Notice shall allow for the designation of the chosen areas for the introduction of a Selective Licensing and two Additional (HMO) licensing schemes.
6. Authorise the Head of Regeneration and Housing, in consultation with the Cabinet Member for Communities and Housing to
 - (i) procure, in accordance with the Council's Contract Procedure Rules, an IT software package for the processing of housing licensing schemes.

- (ii) agree any minor/technical changes to the schemes (non-fundamental changes).
- (iii) authorise the procurement of a partner agency to manage any properties where the Council successfully obtains an Interim Management Order.

Reasons for the Recommendation(s):

To improve the private rented sector and to ensure safe homes for our residents and landlords as set out in our housing strategy.

Cabinet authority is required for the introduction of a selective housing licensing scheme across the designated area, and two additional (HMO) licensing schemes within the Borough.

Alternative Options Considered and Rejected: (including any Risk Implications)

Alternative options were considered and rejected as detailed in Cabinet report of 1 December 2016 found at:

<http://modgov.sefton.gov.uk/moderngov/ieDecisionDetails.aspx?ID=10179>

What will it cost and how will it be financed?

(A) Revenue Costs

The schemes have been costed and will be funded over a period of 5 years by a combination of the proposed licence fees, as well as the existing Housing Standards revenue budget.

Operation of the new schemes will require the purchase of a suitable IT system. Revenue budget provision of up to £90,000 already exists within the setup budget previously approved by Cabinet.

(B) Capital Costs

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):

The Council allocated a budget for the feasibility and setup of the schemes, it is intended that the initial purchase and setup cost of an IT solution will be funded from this budget.

An additional 8 members of staff will need to be recruited to help manage the schemes, funded from the fee income. The schemes will be funded by from existing revenue budgets, alongside the proposed license fees.

Legal Implications:

Part 2 & 3 of the Housing Act 2004 sets out the legislative framework for Selective and Additional (HMO) Licensing. Section 80 of the Housing Act 2004 allows the local authority to designate the area of their district or an area in their district as subject to selective licensing. Section 56 of the Housing Act 2004 allows the local authority to designate the area of their district or an area in their district as subject to additional licensing. The procurement of an IT system will need to comply with the Council's

Contract Procedure Rules.
Equality Implications:
There are no equality implications.
An Equality Impact Assessment is available as a background document.

Contribution to the Council’s Core Purpose:

Protect the most vulnerable: License schemes should improve the living conditions of tenants. The private rented sector houses a high proportion of vulnerable households.
Facilitate confident and resilient communities: Improved housing management practices should result in better relationships between landlord and tenants, helping them to resolve any disputes directly
Commission, broker and provide core services: Through the Licensing schemes the Council will adopt a more proactive approach to the private rented sector.
Place – leadership and influencer: Not Applicable
Drivers of change and reform: The Council will adopt a more proactive approach to the private rented sector, in turn providing a new approach to improving housing conditions
Facilitate sustainable economic prosperity: Not Applicable
Greater income for social investment: Not Applicable
Cleaner Greener The licensing scheme should help ensure better housing management practices by landlords, improving housing conditions and they environment of the neighbourhoods they sit in.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD.4780/17) and Head of Regulation and Compliance (LD.4064/17) have been consulted and any comments have been incorporated into the report.

In November 2016, Overview & Scrutiny Committee (Regeneration & Skills) considered the housing licensing proposals and supported the approach being taken.

(B) External Consultations

The approach to the formal consultation was considered and approved by the Consultation and Engagement Panel in March 2017.

A 12 week extensive public consultation was held between 1 April and 24 June 2017 with landlords, residents, tenants, local businesses, voluntary sector, third sector

stakeholders and neighbouring boroughs. The results of the consultation are set out in Appendix 1.

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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Appendices:

The following appendices are attached to this report:

Appendix 1 Consultation document on improving private rented housing in Sefton, MEL Research Ltd

Appendix 2 Coverage of consultation

Background Papers:

The details of the scheme have been developed in consultation with Cabinet Member Communities & Housing.

The following background papers, which are not available elsewhere on the Internet can be accessed on the Council website:

Background paper 1	Survey (online version)
Background paper 2	Neighbouring boroughs consultation
Background paper 3	Written responses to consultation
Background paper 4	RLA Response to consultation
Background paper 5	NLA response to consultation
Background paper 6	Home Safe response to consultation
Background paper 7	Streets subject to selective licensing
Background paper 8	Selective licensing conditions
Background paper 9	Streets subject to additional licensing
Background paper 10	Additional licensing conditions
Background paper 11	Consultation document
Background paper 12	Equality Impact Assessment

Cabinet Report, 1 December 2016

<http://modgov.sefton.gov.uk/moderngov/ieDecisionDetails.aspx?ID=10179>

1. Introduction/Legislative Background

1.1 The Housing Act 2004 allows Local Authorities to introduce selective and/or additional (HMO) housing licensing of private rented properties where an area experiences issues related to at least one of six set criteria which are linked to private rented properties and where the introduction of a licensing scheme will have a positive impact on the area and relevant criteria.

1.2 Selective and Additional licensing requires that any person wishing to rent out a property in the designated area must obtain a licence from the Council. The Council must be satisfied that the landlord is a “fit and proper” person and has no relevant criminal convictions relating to the management of property. The landlord has to also demonstrate that satisfactory finance and management are in place for the property to meet the required standard. The licensing process provides a framework to improve management and property standards, exclude unfit landlords and improve communication between the Local Authority and landlords. The licence lasts for 5 years for which landlords will be required to pay a fee, although discounts are available.

1.3 Licensed properties are subject to inspections to ensure they comply with the licence conditions which cover property and management standards such as gas safety, electrical safety, fire precautions, are free from category 1 hazards (such as damp and mould), energy efficiency, security and refuse storage. If a property fails to meet the standard, the landlord is liable to an unlimited fine. In extreme cases the Council may have to take over the management of any properties failing the licensing schemes standards by obtaining an Interim Management Order.

1.4 Before any designation for additional or selective licensing can be made the Council must:

- (i) take reasonable steps to consult persons who are likely to be affected by the designation; and
- (ii) consider any representations made in accordance with the consultation and not withdrawn.

1.5 According to the guidance from the Department for Communities and Local Government (“DCLG”) the consultation should include local residents i.e. tenants, landlords, and managing agents, other members of the community who live or operate businesses or services in the proposed designated area, and local residents and businesses in the surrounding area who will be affected. The minimum consultation period is 10 weeks.

1.6 In November 2016, Overview & Scrutiny Committee (Regeneration & Skills) considered the housing licensing proposals and supported the approach being taken. In December 2016, Cabinet agreed the business case to justify it’s licensing proposals, and agreed to consult the public on proposals to introduce additional and selective licensing. The consultation was undertaken by an independent research company, MEL Research Ltd and commenced 1 April 2017, closing 12 weeks later on 24 June 2017 an approach approved by the Councils Consultation and Engagement Panel in March 2017.

1.7 The report at Appendix 1 summarises the results and main issues and concerns of landlords and local people. The comments have provided useful feedback and have been further considered to help shape our schemes.

1.8 This report also sets out the timetable for implementation and its associated actions.

2. Consultation Methodology

2.1 The consultation was promoted via a number of methods. Respondents could participate by phone, email, post or via an on-line survey. Full details of all activities undertaken to promote the consultation and encouraged landlords, agents, tenants, residents and other interested parties to participate can be found at Appendix 2. The consultation was regularly promoted across its duration in the local press and through social media with a direct link to the survey on the council's webpage.

2.2 Researchers undertook door step interviews selecting a random sample of 1,099 households across the Borough which was representative by ward, tenure, age, gender, and ethnicity.

2.3 In addition, a researcher interviewed relevant stakeholder organisations including neighbouring authorities, third sector organisations, charities and landlord groups. 6 meetings were held for landlords and residents, a researcher attended the Invest Sefton forum for local businesses, the 'cakes around the world' event and Council officers presented to landlords forums before the start of the consultation and held two drop-in sessions and a further event at 'Strand by Me' within Bootle New Strand Shopping Centre.

3. Response to Consultation

3.1 The consultation survey was conducted using differing media and respondents could respond by either post, phone, via face to face interviews, email and online survey to ensure as many people as possible could contribute.

Postal survey

3.2 A postal survey was sent to 17,543 households in Bootle. In total, 765 respondents returned their survey or completed it over the telephone.

Residents survey

3.3 A door-to-door, face-to-face interview was undertaken with 1,099 residents from across the borough.

Online survey

3.4 The online consultation was widely promoted by the council. In total, 129 responses were received to the online consultation.

3.5 As part of each of the above surveys respondents (total of 1,993) were asked whether they were a resident, and/or a landlord, and/or a managing agent and/or they classified themselves in some other way. The split of the respondent profiles are shown below (multiple answers possible).

	Number	% of responses
A resident of Sefton	1921	96.39%
and/or a landlord with a property (or number of properties) in Sefton	88	4.42%
and/or a landlord with properties in neighbouring boroughs.	29	1.46%
and or/ an agent managing properties in Sefton	8	0.40%
and/or a business or organisation operating in Sefton	17	0.85%
and/or other	14	0.70%

Stakeholder consultation

3.6 Consultation was undertaken across a range of stakeholders, which included Merseyside Police, Merseyside Fire and Rescue, a neighbouring council, third sector and other organisations working in the housing arena in the local area, landlords associations and public health. In addition, the National Landlords Association (NLA) and Residential Landlords Association (RLA) submitted written responses to the consultation.

	Number of Stakeholders
Stakeholder (total)	10
Merseyside Police	2
Merseyside Fire and Rescue	1
Local third sector providers	3
Neighbouring local authority	1
Landlords associations/organisations	2
Public Health	1

Meetings

3.7 A number of public meetings to introduce the proposal were held by M·E·L Research. In total, seven meetings were advertised, with five being run in May and two in June. Overall, there were 45 persons that attended across all sessions.

Online consultation with Neighbouring borough councils

3.8 The online consultation was promoted by neighbouring councils, encouraging local residents, landlords, tenants and other interested parties to participate. In total, ten responses were received.

4. Summary of key consultation findings

4.1 The attached report at Appendix 1 sets out the detailed findings which were analysed and produced by MEL Research Ltd on our behalf. The consultation feedback report along with responses to specific questions will also be published on the Council's website as part of the designation process.

4.2 Results evidence that more respondents support than oppose the introduction of the licensing of the privately rented sector across parts of Sefton. With 85% in total in favour of the selective licensing designation and 84% in favour of the two additional licensing designations. Comments indicate that they further believe the schemes will have a positive impact on them.

4.3 Views were sought from landlords, residents, tenants, charities, local businesses, third sector organisations and neighbouring boroughs on the implementation of the schemes with particular focus on the proposed designated areas, licence conditions and fees.

4.4 Introduce Selective Licensing in Bootle

4.4.1 Overall, 85% of respondents support the proposal to introduce Selective licensing in Bootle, 10% do not support and 5% do not know.

4.4.2 Residents in Sefton are very positive, with 87% in support of selective licensing, and over three quarters (78%) of privately renting tenants are also in support. Only 14% do not support selective licensing. Landlords are slightly more negative than positive, with 44% in support and 52% who do not support selective licensing.

Impact on respondents

4.5 Respondents were asked what impact, if any, introducing a selective licensing scheme would have on them. 71% of respondents feel Selective Licensing will have a positive impact on them, whilst 8% feel it will be negative (12% it will have no impact)

4.6 Residents in Sefton are again very positive, with over seven out of ten (72%) saying selective licensing will have a positive impact, and only 7% saying it will have a negative impact (9% don't know). Around two thirds (65%) of privately renting tenants feel it will have a positive impact, whilst 12% feel it will be negative (13% don't know). Landlords are again more negative, with 46% saying it will have a negative impact on them, although over a quarter (27%) say it will have a positive impact. Around a fifth of landlords (21%) feel it will have no impact on them (6% don't know).

Selective licensing fees

4.7 As part of the consultation, respondents were asked to comment on the proposed fees for the selective licensing scheme of £695 for a five year licence (excluding any discount).

4.8 Around seven out of ten (69%) respondents to the consultation feel that the proposed selective licensing fee is reasonable, with 40% saying it is totally reasonable and 29% fairly reasonable. Around a fifth (21%) feels it is unreasonable, with 8% saying it is fairly unreasonable and 13% very unreasonable.

4.9 Landlords are significantly more negative about the proposed cost of the selective licence than other groups, with just over three quarters (77%) saying it is unreasonable, and with 65% of those saying it is very unreasonable. Only a fifth (22%) feel it is reasonable. Around six out of ten (61%) privately renting tenants feel the cost is reasonable, whilst around three out of ten (29%) feel it is unreasonable. Residents are the most positive about the fee, with 71% saying it is reasonable.

4.10 Around 1,838 comments were made by respondents on the selective licensing fees. The most common comments are that the fees are reasonable and a fair idea (24%), whilst an additional 21% of comments also said that they are reasonable even if the fee is passed onto tenants.

4.11 Respondents were invited to add any further comments about selective licensing. In total, around 1479 comments were analysed. The most common comment from respondents is that there will be better control and safety for both parties (i.e. landlords and tenants) (28% of comments). This was followed by comments that licensing will improve housing conditions and the area (21%).

4.12 Introduce Additional (HMO) Licensing in parts of Waterloo, Brighton-Le-Sands/Seaforth and central Southport

4.12.1 Introducing an additional licensing scheme in parts of Waterloo, Brighton-Le-Sands / Seaforth and central Southport is supported by the majority of those who took part in the consultation, with 84% in support and only 10% who do not support it.

4.12.2 Residents in Sefton are very positive, with 85% in support of additional licensing, whilst around three quarters of privately renting tenants (76%) are also in support. Only 14% do not support selective licensing. Landlords are slightly more positive than negative, with half (50%) in support and four out of ten (40%) who do not support introducing additional licensing.

Likely impact on respondents

4.12.3 Around two thirds of respondents (67%) feel that introducing additional licensing in Sefton will have a positive impact on them, whilst only 9% feel it will have a negative impact. 15% feel it will have no impact (9% don't know what impact it will have on them).

4.12.4 Around three quarters of respondents (74%) to the residents survey feel it will have a positive impact, whilst only 9% feel it will be negative (6% don't know).

4.12.5 Residents in Sefton are again positive, with just under seven out of ten (68%) saying additional licensing will have a positive impact, and only 8% saying it will have a negative impact (9% don't know). Results for privately rented tenants are similar to those for selective licensing, with 63% saying it will have a positive impact, whilst 13% feel it will be negative (13% don't know). Landlords are again more negative, although slightly less so than for selective licensing, with around a third (35%) saying it will have a negative impact on them, and around three out of ten (31%) saying it will have a positive impact. Again, around a fifth of landlords (22%) feel it will have no impact on them and 12% don't know.

Additional licensing fees

4.12.6 Two thirds (66%) of respondents to the consultation feel that the proposed additional licensing fee of £850 for a five year licence (excluding any discount or additional costs). is reasonable, with 39% saying it is totally reasonable and 28% fairly reasonable. Around a fifth (21%) feel it is unreasonable, with 8% saying it is fairly unreasonable and 13% very unreasonable.

4.12.7 Landlords are significantly more negative about the proposed cost of the additional licence, with two thirds (66%) saying it is unreasonable, and with 52% of these saying it is totally unreasonable. Just under a quarter (23%) feel it is reasonable. Again, around six out of ten (59%) privately renting tenants feel the cost is reasonable, whilst around three out of ten (28%) feel it is unreasonable. Residents are again the most positive about the fee, with just under seven out of ten (68%) saying it is reasonable.

4.12.8 Around 1,379 comments were made by respondents on the additional licensing fees. The most common comments are that the fees are reasonable and a responsible idea (39%), whilst 17 feels it is an affordable fee. The majority of comment is around the fees being passed to tenants. However, there is a mixture of views around whether that is positive or negative.

4.12.9 Respondents were invited to add any further comments about additional licensing. In total, around 1211 comments were analysed. The most common comment from respondents is that licensing will provide good and safe living conditions and improve the area (27% of comments). This was followed by comments that it will ensure better control of both parties (24%).

4.13 Alternative Option - Keep things as they are

4.13.1 The consultation also provided respondents with the option of 'keeping things as they are', i.e. for the council to not make any changes to the way they currently operate. Support for 'keeping things as they are' is not very strong, with just over a quarter of all respondents (27%) supporting this option. Just under two thirds (63%) say they do not support keeping things as they are.

4.13.2 Around three quarters of landlords (76%) are in support of keeping things as they are, significantly more than other respondents, whilst just under a fifth do not support it (19%). Residents in Sefton are least positive, with a quarter (26%) in support, whilst two thirds are against (65%). Just over half of privately renting tenants (54%) do not support keeping things as they are, whilst over a third (36%) are in support.

4.13.3 In total, there were 1272 separate comments that were analysed. The most common comment from respondents around keeping things as they are is that the current system needs regulating and therefore they are opposed to keeping the status quo (29%). This is followed by 19% of comments against keeping things as they as licensing will improve security, standards of living, the housing market and the area.

4.14 Stakeholder views on licensing schemes proposal

4.14.1 In total, 10 Stakeholders responded to the consultation. There is generally a divide in support for the proposal. Landlords Associations such as the NLA and RLA do not support a licensing scheme, whilst almost all other stakeholders interviewed feel that some regulation of the private rented sector is needed in Sefton. Many see licensing schemes in general as a positive step, which should have a positive impact on improving the private rented sector in Bootle. Some of the key themes from the stakeholder interviews are shown below. Written

responses are available from the Residential Landlords Association (Background paper 4), National Landlords Association (Background paper 5) and HomeSafe Scheme (Background paper 6)

4.14.2 The main findings that came out of the stakeholder interviews are as follows:

- There is a need to tackle poor housing conditions in the Private rented sector in Sefton
- Landlords should be more accountable for the condition of their properties and the tenants they house in them
- There is a concern that vulnerable tenants may be more vulnerable if a licensing scheme is introduced
- Licensing should be used to help improve information sharing about bad landlords and bad tenants between agencies and others working in and around the PRS
- There is a concern that the costs from licensing fees will be passed onto tenants, many of whom are already suffering as a result of universal credit and their general economic status
- Concerns that the council already has powers at its disposal to deal with most of these issues, but is not using them
- Any schemes need to be monitored and enforced to have any effect at all
- Some question where the evidence is that licensing is working in areas that it has been introduced
- Concerns that expectations being placed on landlords to deal with ASB, rubbish and other tenant issues are unreasonable
- There may be other ways to tackle the issues without resorting to licensing.

5 Proposed changes to the licensing schemes

5.1 In December 2016, Cabinet approved the draft licensing schemes and sets of licence conditions.

5.2 Overall, the majority of responses agreed or strongly agreed with the proposal to introduce selective and additional licensing across parts of the Borough, indicating that it would improve management standards and property conditions.

Designations

5.3 Views were sought on the whether the selected areas proposed for the designations were appropriate. Comments were overall in agreement with our proposal with one additional street being requested to be included, Oxford Avenue in Bootle, this is proposed to be included within the defined selective licensing area for Bootle.

Fees

5.4 The majority of concerns raised through the consultation were in relation to the fees. We have considered the feedback from the public consultation, although on the whole comments were in agreement with the proposed fees, a number of landlords were concerned that the “good and professional landlords were being penalised in order to catch/punish the rogue element of landlords”.

5.5 Concerns were also raised about the price of the fee and that it would lead to an increase in rent.

5.6 Our original fee proposal includes for a reduced fee for accredited properties. This included for landlords to be able to apply for accredited status up to 3 months from the commencement of our licensing schemes. In order to encourage and recognise those better landlords we propose to change and extend the term that a landlord can apply for accreditation to the first 6 months of the scheme, where a valid licence application has been received.

5.7 We also propose to include a new and additional fee reduction for those properties whereby the landlord appoints a Sefton accredited managing agent as the licence holder. This cost can be absorbed through time savings for the council when dealing with only one licence holder for multiple properties, whereby the licence holder (agent) has been previously assessed against the management elements of the managing agent accreditation scheme.

5.8 It is anticipated that the added fee reduction will reduce the risk of any rent increases landlords may pass on to tenants.

5.9 The revised fees are shown in the table below. Fees are tax deductible.

Selective Licensing

	£	Annual Equiv.	Weekly Equiv.
Full Fee	695	139	2.67
Accreditation	545	109	2.10
Accredited Managing Agent (licence holder)	495	99	1.90
Early Bird	620	124	2.38
In addition :			
7-12 units	150		
13-20 units	250		
21+ units	350		

Additional (HMO) Licensing

	£	Annual Equiv.	Weekly Equiv.
Full Fee	850	170	3.27
Accreditation	700	140	2.69
Accredited Managing Agent (licence holder)	650	130	2.50
Early Bird	800	160	3.08
In addition :			
7-12 units	150		
13-20 units	250		
21+ units	350		

- 5.10 Fees will be reviewed annually and will be adjusted to reflect changes in costs. The fees have also been considered in line with the decision of the European Court of Justice on the Hemming v Westminster City Council case and will therefore, be payable on a 2-staged basis.

5.11 Licence conditions revisions

5.11.1 Minor changes to the licence conditions are proposed. In response to a recent, upheld ruling by a first-tier tribunal where an appeal case was made by a landlord. Selective licence condition 3.8 (g) and Additional licence condition 3.8 (i) has been reworded as shown in italics below:

The licence holder must:

Undertake an investigation of any complaints of anti-social behaviour regarding their tenants. *Written records of these will be required excluding any information which the licence holder reasonably believes to have been provided to him in confidence by a third party.*

5.11.2 Further to comments received from respondents including the RLA around responsibility for licence holders with tenants refuse collection we recommend reworded licensing condition 3.3 (d) as shown in italics below:

The licence holder must ensure that:

The tenants are adequately informed by their landlord of their duty with regards to refuse collection particularly that the wheeled bins or plastic refuse sacks (if wheeled bins are not provided) must not be presented for collection for a period of more than 12 hours prior to collection.

5.11.3 Feedback from the experiences of other licensing schemes regarding the requirement to provide window keys to tenants when there is no key available has proved particularly difficult for landlords. Issues of disrepair to windows will continue to be addressed within Housing Act 2004, Part 1. We propose to reword Selective and Additional (HMO) licensing condition 3.4 (b) as shown in italics below.

The licence holder must ensure that:

Where window locks are fitted, *and keys are available* the licence holder will ensure that keys are provided to the relevant occupant.

6 Staffing and support for landlords

6.1 We will procure an on-line system and recruit sufficient staff to enable the effective delivering, management and monitoring of the Council's housing licensing schemes. Costs will be funded through the fee income.

6.2 A staffing structure needs to be put in place to operate and manage the housing licensing schemes. Additional staff is required along with a review of roles of existing Housing Standards Officers alongside other regulatory duties the Council has to monitor housing standards.

6.3 Included within the housing licensing proposal is the provision to provide legal support for the operation of the schemes and also some specialist staff time to support and advise landlords on anti-social behaviour matters.

7 Conclusions

Introduce selective licensing

7.1 The Council will introduce selective licensing across defined areas of Bootle, whereby all rental properties in streets, listed in Background paper 7, be designated as an area subject to selective licensing. This will require all landlords letting a property on those streets to individuals, single families and couples to get a licence.

7.2 Landlords will be required to adhere to a number of licence conditions which can be found at Background paper 8.

7.3 We will charge a fee and award any applicable fee reductions as set out in part 5 of this report. The licence will in most cases last up to 5 years.

Introduce additional licensing

7.4 We will introduce additional (HMO) licensing, across defined areas of Seaforth, Waterloo, Brighton-le-Sands and Southport subject to additional licensing for any non-mandatory "house in multiple occupation" (HMO). This will require landlords who let a property occupied by at least three people, who do not make up a single household to obtain a licence. A full list of the streets subject to additional licensing can be found at Background paper 9.

7.5 Landlords will be required to adhere to a number of licence conditions which can be found at Background paper 10.

7.6 We will charge a fee and award any applicable fee reductions as set out in part 5 of this report. The licence will in most cases last up to 5 years.

8 Notice of Designation

8.1 Approval is sought to give authority to prepare and publish a Public Notice of designation under sections 80 and 83 of the Housing Act 2004. This Notice shall allow for the designation of the chosen areas for the introduction of a Selective licensing scheme and for two Additional (HMO) licensing schemes.

8.2 The proposed commencement date for the schemes is March 1st 2018.

Publication requirements relating to designations under Part 2 or 3 of the Act

8.3 The Housing Act 2004, Parts 2 or 3, Section 59 (2) or 83 (2) requires the Council to publicly post a designation notice within seven days of Cabinet decision and must do so in the manner prescribed by the Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions)(England) Regulations 2006 (S.I. 2006/373). The designations will not come into force until at least three months after Cabinet approval.

8.4 Within 7 days after the date on which the designation is made the Council must:

- (i) place the notice on the public notice board at one or more municipal buildings within the designated area;
- (ii) publish the notice on the Council's internet site; and
- (iii) arrange for its publication in at least two local newspapers circulating in or around the designated area in the next edition of those newspapers and five times in the edition of those newspapers following the edition in which it is first published.

8.5 Landlords will be encouraged to apply. We will hold information and advice sessions and promote to landlords/agents and tenants. After six months those who have not applied but require a licence may be subject to enforcement.

9 Equality Impact Statement

9.1 The introduction of a Selective Licensing scheme should have a positive impact in terms of Equalities and Diversity issues and along with other interventions support the uplift and regeneration of the designated areas. A full equalities impact assessment for the proposal has been prepared and can be found at Background paper 12.