

**Report to:** Overview and Scrutiny Committee (Regeneration and Skills)

**Date of Meeting:** 13 March 2018

Cabinet 5 April 2018

**Subject:** Housing Licensing Performance Framework Working Group Final Report

**Wards Affected:** Cambridge, Church, Derby, Dukes, Ford, Linacre, Litherland, Netherton and Orrell, St. Oswald, and Victoria

**Report of:** Head of Regulation and Compliance

**Is this a Key Decision?** Yes      **Is it included in the Forward Plan?** Yes  
**Exempt/Confidential**      No

**Purpose/Summary**

To present formally the final report of the Housing Licensing Performance Framework Working Group.

**Recommendations:** That

- (1) the monitoring factors as detailed in the table below be approved as the set of suitable measurable data sets to be used to report on the intended outcomes of the licensing schemes:-

<b>Monitoring factor</b>	<b>Description</b>	<b>Why measure?</b>
<b>Number of licences applied for per scheme</b>	Total number of properties for which an application for a licence has been made, against the number of identified Privately rented properties that require a licence	To ensure landlords have applied for a licence where applicable.  To compare the actual number of private rented properties against the original, estimated number. This will also assist with the financial management of the schemes.
<b>Number of licences granted per scheme</b>	How many properties currently have a licence against the number	To ensure all licensable properties obtain a licence and meet

	applied for and number of identified properties requiring a licence.	licence conditions.
<b>Number of properties accredited;</b> a) <b>Inside the licensing areas</b> b) <b>Outside the licensing areas</b>	Accreditation is a voluntary scheme. It is a measure of high quality property standards and management.	To monitor the levels of accredited properties and thus levels of “good” standard accommodation.  Monitoring numbers inside and outside of licensing areas will allow comparisons
<b>Number of properties non-compliant on first inspection</b>	How many properties DO NOT comply with the licence conditions when inspected by officers.	To establish a baseline of standards of property condition and their management.  A high number of ‘non-compliance’ would be evidence to justify the Licence schemes.
<b>Number of properties non-compliant on first inspection but now compliant</b>	How many properties DO NOT comply with the licence conditions at the introduction of the schemes (and 1 <sup>st</sup> inspection) but have improved to be compliant, as a result of the schemes	To establish the level of improvements that have been made to the levels of property management and conditions. This will help demonstrate the level of impact the Licence schemes have made to improve private rented sector conditions and management.
<b>Numbers and types of formal action</b>	How many statutory notices and Civil Penalties have been served within the 3 licensing areas.	To monitor the level of requirement for formal action by officers, for either not obtaining a licence or a breach of licence conditions.  Informal action (warnings) will be issued in the first instance, but if landlords do not act on these, then formal legal action will be followed.
<b>Number of Service</b>	Service Requests are	This measure will show

<p><b>Requests received;</b>  <b>a) within the licensing areas</b>  <b>b) outside of the licensing areas</b></p>	<p>complaints received about a property, usually regarding its management or condition. (These requests generally come from Privately Rented tenants.)</p>	<p>if numbers of service requests increase or decrease as a result of licensing.</p> <p>It will show any difference in numbers inside and outside of licensing areas.</p> <p>It will also indicate if poor property conditions are increasing outside of the licensing areas <i>as a possible result of displacement of landlords.</i></p>
<p><b>Number of licensed properties that have had Category 1 hazards removed</b></p>	<p>Category 1 hazards are the most serious health &amp; safety hazards identified in a property using the Housing Health &amp; Safety Rating System (Housing Act 2004). This will be captured by officers inspecting properties.</p>	<p>A measure of how many properties have had Category 1 Hazards removed is a clear indication of the improvements in property conditions.</p>
<p><b>Numbers of request for advice from ASB (Anti-Social Behaviour) team</b></p>	<p>This is likely to be requests from Licence holders/landlords to the ASB team for help in dealing with ASB issues at their property. The management of ASB is a licence condition.</p>	<p>This figure will record the levels of advice requests from landlords and measure if this changes throughout the duration of the schemes.</p>
<p><b>Numbers of cases where ASB team have intervened</b></p>	<p>All referrals to the ASB team for advice will be captured, to assess levels.</p>	<p>Has the ASB support for licence holder/landlords lead to more intervention by the Council's ASB team? Have their levels of Service requests increased or decreased?</p>
<p><b>Outcome of ASB team intervention</b></p>	<p>Has the intervention been a success? What was the outcome?</p>	<p>Have levels of ASB in licensing areas reduced?</p>

- (2) an Annual Monitoring Report, to ensure that the Schemes meet their intended outcomes and objectives in measuring the progress of the Schemes through the collection of data on various factors, be submitted to both the Cabinet Member –

Communities and Housing and the Overview and Scrutiny Committee  
(Regeneration and Skills).

**Reasons for the Recommendation:**

The Working Group has made a number of recommendations that require approval by the Overview and Scrutiny Committee (Regeneration and Skills) and the Cabinet.

**Alternative Options Considered and Rejected:**

No alternative options were considered. The Overview and Scrutiny Committee (Regeneration and Skills) established the Working Group to review the Housing Licensing Performance Framework and the Working Group has performed this task.

**What will it cost and how will it be financed?**

**(A) Revenue Costs**

There are no financial implications arising for the Council as a direct result of this report. The implementation of recommendations that result in efficiency savings and any necessary financial investment will be the subject of separate reports.

**(B) Capital Costs**

There are no financial implications arising for the Council as a direct result of this report. The implementation of recommendations that result in efficiency savings and any necessary financial investment will be the subject of separate reports.

**Implications:**

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

<b>Financial</b>		
<b>Legal: Housing Act 2004</b>		
<b>Human Resources</b>		
<b>Equality</b>		
1.	No Equality Implication	<input checked="" type="checkbox"/>
2.	Equality Implications identified and mitigated	<input type="checkbox"/>
3.	Equality Implication identified and risk remains	<input type="checkbox"/>

**Contribution to the Council's Core Purpose**

Protect the most vulnerable: Licence 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.

Living in a home that is warm, safe and in good state of repair is fundamental to good health and wellbeing. People living in accommodation that meets their needs are better able to access services, and build resilient relationships within communities.
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: The Licensing scheme aims to provide improved quality of accommodation in the private rented sector. Such an improvement will undoubtedly have a beneficial effect on a locality.
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 the environment of the neighbourhoods they sit in.

### **What consultations have taken place on the proposals and when?**

The Head of Corporate Resources (FD 5046/18) has been consulted and notes there are no direct financial implications arising from this report.

The Head of Regulation and Compliance (LD 4330//18) is the author of the report.

### **Implementation Date for the Decision**

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

**Contact Officer:** Paul Fraser

**Tel:** 0151 934 2068

**Email:** paul.fraser@sefton.gov.uk

### **Background Papers:**

There are no background papers available for inspection

## **Introduction/Background**

At its meeting held on 7 November 2017 the Overview and Scrutiny Committee (Regeneration and Skills) approved the establishment of a Working Group to review the topic of Housing Licensing Performance Framework with the following objectives:-  
Terms of Reference and Objectives

The Council is working toward the introduction of Private Rented Sector Housing Selective Licensing and Additional HMO Licensing schemes in parts of the borough.

The Selective Licensing Scheme Proposal was taken to Overview and Scrutiny Committee (Regeneration and Skills) in November 2016, for review. The proposal was overwhelmingly supported.

The Selective Licensing proposal was then taken to Cabinet for formal approval in December 2016, together with approval to undertake the statutory formal public consultation. Cabinet approved the proposal and consultation.

The Selective Licensing Proposal has since been the subject of a 12 week public consultation, April-June 2017. This included notifying all Councillors of the Selective Licensing proposal and consultation, so they had the opportunity to contribute.

The results of the consultation, together with a Final Licensing Scheme proposal were taken to Cabinet in September 2017, and approved. The Council is now in the process of preparing the Selective Licensing scheme to go live from March 2018.

One key piece of work that needs to be done over the coming months is to set up a 'performance framework' for the Licensing schemes. This will allow the Council to test, in future, whether the Selective Licensing scheme is having an impact on improving the Licensing Neighbourhoods and private rented accommodation. The performance framework will be submitted to the Cabinet Member – Housing and Communities for approval once it is completed.

The Council approved a 'business case', which set out its justification for introducing Licensing schemes. To justify the proposed schemes for Sefton it was argued that Licensing of private rented homes would lead to the better management of these homes, which in turn would help tackle the following issues, which were used as the criteria for our schemes;

- significant anti-social behaviour.
- poor property conditions,
- a high level of deprivation or
- high levels of crime.

A Licensing scheme can only remain in operation for a maximum period of 5 years. The Council will need to monitor whether the Licensing schemes are having an impact on the issues/criteria it sought to tackle and improve.

Towards the end of the 5 year life of the schemes, the Council will need to consider whether it needs to extend the schemes. If it does, it will need to justify this through a new business case. Almost certainly, the Council would need the evidence that its schemes are having a positive impact on the issues identified. Therefore setting a suitable performance framework will be an essential tool, both to monitor the effects of licensing and to help determine whether the schemes, should be extended.

The Objective is for the Working Group to help develop and review a proposed Selective Licensing Performance Framework before it is completed and submitted for approval to the Cabinet Member – Communities and Housing.

Accordingly, the Working Group has met on two occasions to undertake such review and its Final Report, together with associated recommendations, is attached.

The Overview and Scrutiny Committee (Regeneration and Skills) and the Cabinet are requested to support the contents of the Working Group Final Report and approve the recommendations contained therein.