



**Prosperous Communities  
Committee**

**7<sup>th</sup> March 2023**

**Subject: Private Sector Housing - Options for Future Direction**

Report by:	Director of Change Management, ICT & Regulatory Services
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Purpose / Summary:	To set out proposed options and approaches for future work within the Private Rented Sector.

**RECOMMENDATION(S):**

Committee are asked to:

- a) Approve that the policy position in regards to selective licensing is "Option D" as set out in the options table and that the timeframe for revisiting selective licensing is scheduled to be between 12 and 24 months.
- b) Approve that a further report be brought back to Prosperous Communities Committee within 6 months to outline the proposed future approach for delivery.

## IMPLICATIONS

**Legal:**

The approaches set out fall under the scope of the Housing Act 2004, which is a piece of legislation that the Council are familiar with and utilise regularly. Certain approaches may require specific legal advice, which will be sought should it be required.

**Financial : FIN/151/23/SSc**

No financial implications arising from this report.

**Staffing :**

There are no direct staffing implications from this report.

**Equality and Diversity including Human Rights :**

The approaches set out are intended to improve the quality of life of residents and to ensure that the regulations specific to certain aspects of their human rights are upheld.

**Data Protection Implications:**

There are no data protection implications.

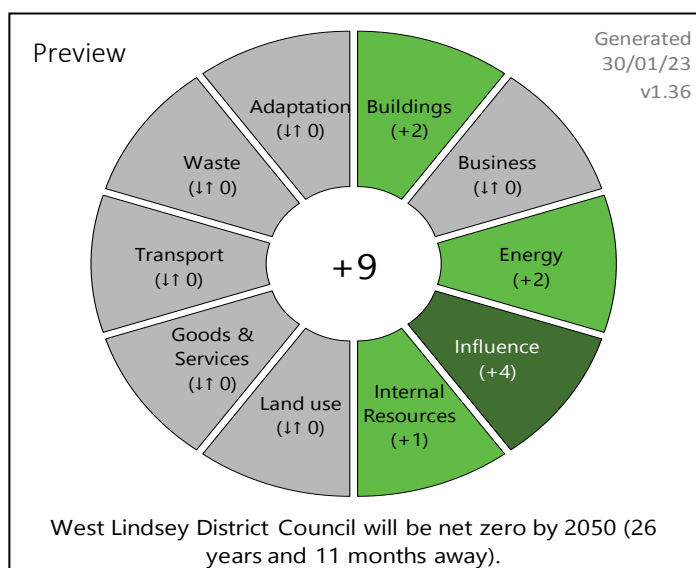
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### Climate Related Risks and Opportunities:

The improvement of housing standards has a direct impact in regards to carbon reductions and helping to minimise energy usage for persons living in any properties.

Specific regulations such as MEES (Minimum Energy Efficiency Standards) focus directly on improving the energy performance ratings of homes and are regulations that the Council currently enforces.

A CESIA wheel has been completed for this report below, outlining the areas where it can have a positive environmental impact. It should be noted that this wheel does not reflect all the proposed interventions as a more detailed assessment will need to occur when the required report for these is produced.



### Section 17 Crime and Disorder Considerations:

The evidence available to the Council suggests broadly that where there is a greater level of PRS properties, there is a greater level of anti-social behaviour. The only Housing Act power that can deal with ASB more directly and in a broader manner relates to "Selective Licensing". In order to address it specifically, the Council has other relevant powers it can consider utilising.

### Health Implications:

Poor quality housing can have a significant impact on an individual's health and wellbeing. This is well documented and evidenced and forms the basis for the Housing Act powers that are used by the Council.

The inspections undertaken by the Council seek to identify and remove serious hazards from properties to ensure that they are safe for the occupants to live in.

Further information on this impact can be found here :

<https://commonslibrary.parliament.uk/research-briefings/cbp-9414/>

**Title and Location of any Background Papers used in the preparation of this report:**

Item 15 – Prosperous Communities Committee, July 2022 - <https://democracy.west-lindsey.gov.uk/ieListDocuments.aspx?CIId=176&MIId=3175&Ver=4>

**Risk Assessment :**

There are pros and cons to any approach approved by Committee in relation to the PRS. The main risks are identified below:

Doing nothing: the data available suggests that there is considerable work to be undertaken to improve the PRS. This can be mitigated by the selection of the appropriate option for intervention.

Scale of intervention: The data in relation to the PRS is very clear and outlines the scale of the challenge that the sector faces. The Council must be aware that any intervention that it implements, other than selective licensing, will need to be at a scale where it can have an impact and also be financed. This risk can be mitigated by having a clear plan of action in the short term to increase the scale of any intervention and by committing to revisiting selective licensing at a future date.

Planned Government Reform: whilst the planned reforms in the PRS are outlined, there are no current implementation dates for the key aspects, such as abolition of Section 21 (no fault eviction), the Landlord Portal or the Ombudsman for the PRS. In the short term, any interventions introduce help to mitigate this issue until further detail is known.

Ability to deliver status quo: there is sufficient capacity to deliver the status quo activities as set out in the report within the existing establishment allocated.

**Call in and Urgency:**

**Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?**

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

**Key Decision:**

A matter which affects two or more wards, or has significant financial implications

Yes

No

## **1. Introduction**

- 1.1. In July 2022 Prosperous Communities Committee made a number of recommendations to enable the Council to review its approach to improving the Private Rented Sector (PRS). As a result, a small working group of Councillors was set up to consider this subject and oversee the delivery of workshops to Councillors aimed identifying what the priorities were for the PRS and the approaches that would be preferred to tackle these.
- 1.2. The working group is made up of 5 Councillors and chaired by the Vice-Chair of the Prosperous Communities Committee. Councillors Young, Bunney, Howitt-Cowan and Regis make up the remainder of the working group. The commitment and contribution of the working group is noted as key in ensuring that this piece of work developed and evolved over the period of time that they have met. They also played a key role in reviewing and amending the format of the Councillor workshops in December.

## **2. Context**

- 2.1. In seeking to identify future approaches and priorities, the working group and the workshops are responding to the decision made at Full Council in March 2022 to cease the consultation on a proposed Selective Licensing (SL) scheme that would have covered around 5000 properties in the PRS.
- 2.2. Identifying alternative of future approaches formed the basis for the workshops, which provided Councillors with a space to provide their feedback on some of the challenges that face the PRS in the district, as well as providing an opportunity to consider what approaches may be preferred in the future.
- 2.3. This report seeks to summarise the feedback from the workshops and then sets out a proposal for how the Council may choose to approach the matter based on this feedback, along with feedback from the working group. The working group do not have a remit to continue any further work beyond this committee meeting.

## **3. Councillor Workshops**

- 3.1. Workshops took place on the 2<sup>nd</sup> and 7<sup>th</sup> of December 2022 and all Councillors were invited. One meeting was face to face at the Guildhall and the other was held via MS Teams. 15 Councillors attended across the two sessions. The full notes from the workshops are attached as appendix 1. The slides used for the workshop are also attached at appendix 2.
- 3.2. The workshops identified a number of key priorities along with preferred approaches. In summary:

- Concern about the scale of the challenge faced and the resources that may be needed to address them.
- It was evident that there is not broad support for any further SL proposals based on the workshops.
- There is a clear view that impact of scheduled reforms (i.e. Landlord portal) needs to be understood.
- It was clear that more support is requested for tenants and landlords (further clarity needed on expectations regarding this).
- Targeted MEES or Rogue Landlord projects preferred, with additional resources to increase the scale.

#### 4. The Scale of the Challenge

4.1. There are currently around 9,000 properties in the PRS across West Lindsey, which make up roughly a quarter of the overall housing stock. The table below summarises what we know about the PRS on a ward by ward basis. The key points are as follows:

- Out of 20 wards, 6 have a PRS % that is above the National Average.
- The average across the whole district is also above the national average.
- 19 out of 20 wards have a %age of Cat. 1 Hazards that is above the national average.
- There is estimated to be 2,413 properties in the PRS with at least one Cat. 1 Hazard
- The district average for Cat. 1 Hazards is 23.1% (against a national average of 13%).

Levels of PRS (WLDC Metastreet Report 2021)						
Wards	% PRS 2021	No. of PRS	Number of PRS with cat 1 hazards	% Cat 1 hazards 2021	Housing complaints	Rate of housing complaints / 1000 dwellings
National average	>19%			>13%		
Bardney	16.90%	214	35	16.40%	21	98
Caistor and Yarborough	18.20%	494	115	23.30%	37	75
Cherry Willingham	14.20%	508	72	14.20%	7	14
Dunholme and Welton	13.20%	505	93	18.40%	28	55
Gainsborough East	15.40%	504	81	16.10%	89	177
Gainsborough North	30.20%	1058	310	29.30%	148	140
Gainsborough South	56.70%	1752	792	45.20%	469	268
Hemswell	31.70%	389	127	32.60%	21	54
Kelsey Wold	11.10%	132	45	34.10%	11	83
Lea	11.10%	111	15	13.50%	8	72
Market Rasen	20.90%	861	198	23.00%	89	103
Nettleham	11.50%	247	41	16.60%	10	40
Saxilby	16.30%	465	71	15.30%	9	19
Scampton	33.00%	410	44	10.70%	13	32
Scotter and Blyton	13.70%	464	106	22.80%	37	80
Stow	13.30%	144	29	20.10%	8	56
Sudbrooke	9.80%	114	20	17.50%	1	9
Torksey	11.80%	163	40	24.50%	10	61
Waddingham and Spital	15.90%	182	55	30.20%	10	55
Wold View	27.40%	332	124	37.30%	21	63
Council total	19.62%	9,049	2413	23.1%	52	78

## **5. Selective Licensing**

5.1. The table of options in section 6 shows broadly the approaches that can be taken. Key to any approach is the policy position that the Council takes in relation to selective licensing.

5.2. The reason that this decision is key, is due to impact that it will have on the ability to deliver other approaches. For example, if the committee wish to proceed with a selective licensing scheme, the officer resource required would be focussed on doing just this, leaving no capacity for exploration and delivery of other options. Likewise, removing selective licensing as an option means that alternatives can be explored and potentially delivered subject to resources and the relevant committee approvals. The decision in regards to selective licensing, influences the way any future activities can be taken forward.

## **6. Potential Approaches**

6.1. The table of options shown below sets out the broad approaches available. It is recognised that a combination of approaches may be needed in order to deal with the scale of the challenge faced by the Council. Any approach is likely to require additional resources, generated by the approach itself or from within the Council's existing budgets.

6.2. The Committee should focus on its decision in relation to selective licensing and from this, consider the approach that they may wish to take for any other activities. The options can potentially be mixed across the activities where resources will allow. The pros and cons of these various approaches can be seen within the workshop slides that have been distributed to all Councillors (appendix 2).

**Private Rented Sector Options Table**

**Note: Private Rented Sector “Renters Reform Bill”**

The proposed reforms relating to “abolition of S. 21 notice, new Decent Homes Standards, Landlord Portal and PRS Housing Ombudsman are yet to be implemented. The resource impact of these is also unknown at this stage.

	<b>Options</b>				
<b>Activities</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>Status Quo</b>
<b>Selective Licensing</b>	Choose not to proceed with selective licensing.	Choose to proceed with previous SL proposals.	Choose to proceed with revised SL proposals (likely to be smaller)	Choose to revisit SL at a future date (TBA) with new data and new proposals.	Only deal with mandatory licensing requirements (e.g. HMOs)
<b>Note: A decision on the policy position for selective licensing as an activity sets the framework for other activities and must be determined before other options can be developed.</b>					
<b>Targeted Enforcement</b>	Develop specific “Rogue Landlords Project” (Using MEES and stock data).	Undeliverable due to resource constraints relating to SL proposals.	Will depend on size and scale of any SL scheme.	Could be developed prior to any new SL proposals.	Schedule proactive and targeted work alongside (but not at expense of) usual case load.
<b>Landlord and Tenant Support</b>	Develop landlord and tenant support initiatives (i.e. a forum, increased comms, specific tenancy support workers)	Engage via the SL proposals and develop support as part of this process.	Engage via the SL proposals and develop support as part of this process?	Develop landlord and tenant support initiatives (i.e. a forum, increased comms, specific tenancy support workers)	Introduce twice yearly landlord forum and enhance comms on obligations and accreditation for landlords and tenants.
<b>Landlord Accreditation</b>	Enhanced comms in relation to benefits of landlord accreditation.	Enhanced comms in relation to benefits of landlord accreditation.	Enhanced comms in relation to benefits of landlord accreditation.	Enhanced comms in relation to benefits of landlord accreditation.	Enhanced comms in relation to benefits of landlord accreditation.



### *6.3. The Status Quo*

6.3.1. As the Council has a statutory obligation to deal with certain types of hazards within the PRS the existing resources within the work area will remain focussed on doing this. No consideration has been given in regards to diverting the existing officer resource to the type of work that will not require them to go “over the threshold” and inspect properties. Whilst some additional communications and engagement can be offered within the existing resources, the focus will be on responding to complaints and doing some proactive intelligence led work (where resource allows).

### *6.4. Selective Licensing*

6.4.1. Clear direction is required as to whether SL will be part of any approach. Any proposals would need to be based on the evidence base that has already been produced or on a new evidence base, depending on when any proposals may come forward. Proposals will need broad political support to ensure they are deliverable and are implemented.

6.4.2. Whilst there is not broad support for any selective licensing proposals, there is recognition that as a tool it can be effective in bringing about change at a larger scale given its mandatory nature. There is also recognition that this approach is largely self-funding and can enable additional resources to tackle the challenges in the PRS within the specifically designated areas, of which there were 5 wards in the previous proposals covering circa 5000 properties. Given the scale of the challenge facing the Council in terms of the PRS, removing selective licensing as an option completely is not deemed to be an appropriate option.

6.4.3. There is clear evidence from the previous proposals that a scheme could be justified in certain wards within the District. The consultation report completed for the period that the consultation was undertaken between January and March 22, also showed support overall for a scheme to be introduced.

### *6.5. Targeted Enforcement Approach*

6.5.1. The Council’s existing resources can currently be focussed proactively, however this is not done in a targeted and specific way, and not at the expense of other statutory inspections that the Council are required to do. The proactive MEES project, was funded by an external grant of £55,000, which enabled additional resource to be deployed to focus specifically on this.

6.5.2. The Council has sufficient data in regards to its stock and its geography to enable a targeted piece of enforcement work to be developed. The project would need to be fully scoped, but would be likely to focus on the areas with the highest numbers of category 1

hazards. The volume of inspections would be determined by the resources available.

#### *6.6. Landlord and Tenant Support*

6.6.1. Should a new programme of work to provide this support be desired, additional resources will be required to deliver it. The existing resources can deliver some additional activities, but it will not be the focus of their work.

6.6.2. Should any form of SL scheme be progressed, this will provide opportunities for engagement and consultation and would be built into the scheme as per the previous proposals.

#### 6.7. Landlord Accreditation

6.7.1. There are no proposals to deliver a specific landlord accreditation scheme within the Council. The Council already offers an accreditation scheme for landlords via DASH, which is free of charge to join. There are also a number of reputable national schemes, which landlords could join independently.

### **7. Preferred Approach**

7.1. The working group met on the 13<sup>th</sup> January 2023 (see notes in appendix 3) to consider what it believed would be the most appropriate approach moving forward. Its view was that option D should be selected in regards to selective licensing, which is to “revisit selective licensing at a future date with new data and new proposals”. It was suggested that this future date be cited as between 12 and 24 months.

7.2. The basis for this view was that it would provide time to explore some specific targeted enforcement projects in the PRS and to also allow the planned reforms for the sector to come into effect and potentially have an impact.

7.3. The approach will focus on addressing housing standards and be targeted based on data and evidence. It will also make provision for additional approaches relating to landlord and tenant support.

7.4. Based on the above it is proposed that a report be brought back to Prosperous Communities Committee within the next 6 months to outline the proposed approach and to identify any resources required to deliver it, which in turn will need to be considered by Corporate Policy and Resources Committee.

**END**

Appendix 1 – Notes from Workshop  
Appendix 2 – Slides from Workshop  
Appendix 3 – Notes from Working Group