

**Subject: Update on Selective Licensing in the Gainsborough South West
Ward**

Report by:

Chief Operating Officer

Contact Officer:

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Purpose /
Summary:

To provide elected members with an update in regards to the
selective licensing scheme

RECOMMENDATION(S):

- 1) Members are asked to note the contents of this report and agree that further update will be provided in 12 months time.

IMPLICATIONS

Legal:

The legal basis for the introduction of the selective licensing scheme can be located within the Prosperous Communities Committee report from 22nd March 2016.

Financial: FIN/132/19/CC

Section 3 outlines the financial income received from the licensing fee to date.

The Council has to date received £91,044 from licensing income. £69,540 was received in 16/17, £11,015 in 17/18 and £10,489 to date in 18/19. £32,500 of this budget remains unspent and is allocated towards the ongoing administration of the licensing scheme. It is expected that additional income will be received over the remaining period of the scheme via the remaining license applications.

Staffing:

A selective licensing officer has been in post since January 2018. The individual who is currently in the post will be moving to a new role in October 2018, therefore the post will become vacant. The Council will be advertising for a replacement officer in due course and the role will continue to take responsibility for the administration of the scheme.

Equality and Diversity including Human Rights:

The designation for the scheme has been set out in accordance with the Housing Act.

Risk Assessment:

None noted.

Climate Related Risks and Opportunities:

None noted.

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

Prosperous Communities Committee report 22nd March 2016

Prosperous Communities Committee report 21st March 2017

Prosperous Communities Committee report 24th October 2017

<https://www.west-lindsey.gov.uk/my-council/decision-making-and-council-meetings/meetings-agendas-minutes-and-reports/prosperous-communities-committee/prosperous-communities-committee-reports/>

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. The Selective Licensing scheme in the Gainsborough South West Ward was approved at Prosperous Communities Committee on the 22nd March 2016. The scheme then came into force on the 18th of July 2016 for a five year period.
- 1.2. This report provides an update in regards to the progress of the scheme and outlines the current position, the main areas of work undertaken to date and provides the timescales and objectives for the future phases.
- 1.3. This paper does not go into the background of the scheme or how it came to be in effect as this has been covered within previous committee papers.
- 1.4. It should be noted that the scheme was designated on the basis that the area concerned was experiencing a significant and persistent problem in regards to anti-social behaviour.

2. Current Position

- 2.1. Any landlord that has not made an application to date is being dealt with as unlicensed. The current position in relation to licenses and applications is shown below in Table 1.

Table 1.	The Home Safe Scheme		West Lindsey District Council	
	Properties	Applicants	Properties	Applicants
Applications*	539	299	73	36
Draft Licences	487		62	
Full Licences	461		58	
Exemptions (full)	n/a	n/a	23	10
Exemptions (temporary)	n/a	n/a	All temporary exemptions now expired, none currently in effect.	
<i>*live applications, not including applications which have been cancelled or terminated</i>				

- 2.2. There are currently 519 licensed properties within the area. 461 of these are licensed by Homesage and 58 via West Lindsey District Council.
- 2.3. There are 80 applications which are currently in the process for determination. Alongside this there are 60 cases open for unlicensed properties, for which we are considering formal action.
- 2.4. Since September 2017, 54 new applications have been received via Homesafe and 33 have been received directly. Alongside this 20 revocations of licence have been issued,

due to property turnover. We would expect this number to remain constant.

- 2.5. There are a further circa 230 properties which records suggest may be in the private rented sector, which require further investigation. It is unlikely that they will all be licensable, however a proportion of these will be.
- 2.6. Our approach to dealing with unlicensed properties is based on risk. Our efforts are focussed on those properties that are having an adverse impact either due to their condition, the landlords behaviour or the tenants behaviour.
- 2.7. It is intended to carry out a proactive street by street review of the remaining unlicensed properties over the next 12 months and when the prioritised caseload reduces to enable this.

3. Financial Information

- 3.1. The Council has to date received £91,044 from licensing income. £69,540 was received in 16/17, £11,015 in 17/18 and £10,489 to date in 18/19. £32,500 of this budget remains unspent and is allocated towards the ongoing administration of the licensing scheme. It is expected that additional income will be received over the remaining period of the scheme via the remaining license applications.
- 3.2. It is proposed to utilise the remainder of the funding on staffing resource to continue the administration and implementation of the scheme.

4. Support for Landlords

- 4.1. Homesafe have undertaken forums for their members in the Gainsborough area. The latest of these took place on the 26th September and was well attended. Council Officers provided an update on the scheme at this meeting.
- 4.2. Prosperous Communities Committee have also recently approved the revised Housing Assistance Policy, which provides financial support to landlords, empty property owners and home owners. There is a specific grant within this policy for licensed landlords which can provide additional security, improved smoke detection and improved measures to tackle damp and mould.
- 4.3. Alongside this, the Council have also agree to release additional capital reserves to support projects in the South West Ward and Hemswell Cliff. This includes;
 - The extension of CCTV across wider parts of the licensing area
 - The appointment of an enforcement officer to deal with waste and early presentation issues
 - The appointment of a private rented sector officer to work with landlords and tenants to increase tenancy sustainment
 - The delivery of the “Young Oasis” project to provide to support to young people who’s families are impacted by substance misuse
 - The sustainment of the community payback project within the area for a further two years
- 4.4. The Council have also made progress in regards to issues such as abandoned shopping trolleys, environmental enforcement, early presentation of waste, engagement on waste collection and the ability to now report unlicensed landlords via the website.

4.5. At a meeting with Homesafe landlords in September 2018 an update on the scheme was provided. At this meeting it was identified that there is a core group of landlords who are keen to meet more regularly with the Council to discuss the scheme and the work that is ongoing. The first of these meetings will take place later this year.

5. Formal Enforcement Action

5.1. Various formal enforcement action has been undertaken since the scheme commenced. The selective licensing area is subject to the highest level of formal enforcement action across all of the Council's regulatory type services. This reflects not only the challenge being faced in the area, but also the positive impact that the scheme has had in terms of dealing with some of these challenges.

5.2. A breakdown of the action taken is show below;

Warning Letters

- 7 properties (6 for unlicensed, one for breach of conditions)
- 6 landlords (5 for unlicensed, one for breach of conditions)

Cautions:

- 1 property
- 2 landlords

Civil Penalties:

- 9 Notices of intent issued (2 subsequently withdrawn; one warning letter issued, one prosecution commenced)
- 5 currently in process (estimated projected level of fine at this time £67,000)
- 2 Final Notices issued
- Level of fine imposed - £5,000

Prosecutions:

- 34 properties
- 10 landlords (3 overturned on appeal – WLDV V Singh)
- £69,797 fines for SL offences (not including those overturned or reduced on appeal)
- Costs orders made for £8,035.76 (not including those overturned on appeal)
- 1 additional prosecution currently in process

Other:

- 1 Criminal Behaviour Order in effect (on back of SL and other offences)

6. Ensuring Compliance

6.1. Homesafe have compiled an update report, shown in appendix 1, which outlines the current status of the scheme and provides information relating to it.

6.2. In Year 2 to date, 387 compliance checks have been carried out. 59 of these were carried out by landlords who have been trained on how to self assess for compliance. There are 136 compliance checks remaining.

6.3. To date 302 high classification issues have been resolved by landlords and 413 medium. Where an issue is classified as low priority a landlord is sent an advisory letter and made aware of the concerns.

6.4. The top 5 high priority issues that are being identified in inspections relate to smoke detection; window restriction; balustrades or guarding; stair handrails and carbon monoxide detectors.

7. Tenant Passport Scheme

7.1. The Tenant Passport Scheme was implemented in January 2018. To date it has not had a positive impact and there has only been one application. Officers are currently reviewing the scheme with a view to reintroducing it to make it more effective.

7.2. A local group of landlords have asked if they can have an input into the revision of the scheme and it is our intention to liaise with them on this to ensure that the scheme can be as effective as possible.

8. Dealing with Anti-Social Behaviour (ASB)

8.1. It is difficult to quantify at this stage the impact that the scheme has had in regards to the overall levels of ASB. Information provided by Lincolnshire Police would suggest that there has been no real increase in ASB across the area and the Council will continue to review this information and seek to quantify it in later stages of the scheme.

8.2. At this stage of the scheme, the focus remains on proactively dealing with unlicensed properties and any ASB that is caused by them. There are a number of specific initiatives that the Council has carried out as part of the selective licensing work and as part of our overall approach within the designated area.

8.3. Within the scheme the following interventions are being delivered;

- Identification of problem tenants and properties dealt with by a joint approach from officers.
- Joint meetings with problem landlords, with Police involvement. These are face to face and aimed to ensure that those landlords whose properties are suffering from ASB understand their responsibilities in regards to addressing it.
- Reasonable steps being requested from landlords to deal with ASB in their properties ranging from warning letter and property visit to the ending of a tenancy.
- ASB issues raised directly by Homesafe with landlord. 12 raised, of which 7 are outstanding.
- Ongoing work in relation to breach of conditions under the licensing scheme.

8.4. Alongside this to combat various issues the Council is;

- Extending the CCTV system into the licensing area
- Allocating resources specifically for environmental and fixed penalty type issues
- Delivering schedule 4 (abandoned shopping trolleys)
- Offering financial assistance to deal with empty properties and improve property standards

8.5. It is intended over the next 12 months to ensure that we can robustly measure the overall impact on ASB over the course of the scheme to date.

9. Future Scheme Timescales

9.1. As per the update to elected members in March 2017, the scheme is focussed initially on the 3 main phases below. An update has been provided for each phase.

Phase 1 – Licensing of landlords: this has been ongoing since the 18th of July 2016 and it is our aim to ensure that all eligible landlords are licensed within the first year of the scheme.

Update – This aspect of the scheme is ongoing and will continue for its remainder as new licensed are required for newly identified properties or those that are sold and require a licence.

Phase 2 – Unlicensed Landlords: prosecution will be considered for all landlords (known and unknown) who failed to obtain a licence by the 31st of January 2017. This phase will commence on April 1st 2017.

Update – Prosecutions have been undertaken and will continue. Alongside this the Council's new powers to issue Civil Penalties are also being utilised. These are aimed at ensuring a financial deterrent is given to landlords that are non compliant.

Phase 3 – Ongoing Compliance: Homesafe members all receive annual compliance checks. Over the course of 2019 all landlords licensed directly by WLDC will receive their inspections.

Update – landlords directly licensed by WLDC will be contacted to arrange inspections in the coming months. Around 12% of landlords are licensed in this way.

Phase 4 – Reducing Anti – Social Behaviour and Improving the overall environment:

Please note section 8 above. This aspect of the scheme will be a priority for the remainder of the designation.

10. Recommendations

Elected Members are asked to;

- 10.1. Note the success of the scheme to date and the positive impact that it is having within the South West Ward area
- 10.2. Note that, in line with legislation, the income derived from the scheme will continue to fund the administration of the scheme for a further 2 year period, until December 2020.
- 10.3. Agree that further update will be provided in 12 months time.

Appendix 1



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Company No. 09371007

Year 2 Selective License Scheme Overview – South West Ward of Gainsborough

Home Safe Scheme Members - 299
Total properties – 539

Preamble

The Home Safe Scheme Ltd (Home Safe) regard the scheme in Gainsborough as having been a success thus far. There has been a high level of engagement with the scheme by Gainsborough members and (where applicable) their Managing Agents. Member interest in and presence at our landlord forum meetings and training events has been strong and Gainsborough members are now taking advantage of the support tools that are provided via Home Safe's web portal such as our General Code of Practice, Terms and Conditions of Membership, Maintenance Mandate and our Landlord and Tenant Charter. General day to day tenancy management letter templates (available free of charge to Home Safe members and which cover, for example, managing ASB complaints or property access issues) are being utilized more regularly.

All of the above are in line with Home Safe's strategy and are on track as expected now that the main registration/application phase has been completed.

A number of members continue to build their portfolios in the South West Ward, are registering more properties with Home Safe and thus continue to invest in the area. Home Safe, therefore, have no fewer South West Ward properties registered than at the start of the licensing scheme thus indicating that the rental market is stable in this area.

Entering Year 2 (and as a natural progression from the initial registration/application period), supporting its Gainsborough members in rectifying property disrepair has been the Home Safe team's biggest focus. To this end Home Safe now has available for its members a full maintenance service proposition to help them to more efficiently fulfil their landlord repairing obligations and comply with the requirements of this element of the licensing scheme.

Corroborative Evidence

Listed below are some positive mid-point statistics for **Y2** West Lindsey Compliance Check results and achievements:

Number of reports with HIGH issues present - **232 + 17** Self Inspections
Number of reports with MEDIUM issues present - **56 + 9** Self Inspections
Number of reports with LOW issues present - **7 + 9** Self Inspections
Number of reports with NO issues present - **33 + 24** Self Inspections
Total number of completed Compliance Checks - **328 + 59** Self Inspections
Total number of outstanding Compliance Checks (Planned for completion by 31st October 2018) - **136 + 0** Self Inspection

HIGH issues rectified and evidenced by the landlord or agent - **302**
MEDIUM issues confirmed completion - **413**
LOW issues identified and Landlord made aware - **220**

Top 5 common HIGH priority issues - **Number of issues identified** - **Number of issues closed and resolved**

Smoke detector issues - **94** - **62**
Window restrictor issues - **78** - **50**
Balustrade/guarding issues - **46** - **23**
Handrail to stairs - **38** - **19**
Carbon Monoxide detector issues - **23** - **16**

Top 3 common MEDIUM priority issues - **Number of issues identified** - **Number of issues closed and resolved**

Waste and Recycling issues - **100** - **72**
Missing interior doors - **73** - **39**
Damp and Mould - **72** - **57**

Member Feedback

We have received some feedback recently from our members stating how pleased they are with the support they are receiving and especially in relation to Compliance Check reports. For the purposes of this update, feedback has been anonymized.

Mr Dxxxxxx

“With Home Safe I can say the following:

1. They are always responsive and helpful
2. They provide information when required, an example being the waste schedule
3. The compliance reports are helpful and flag issues with our properties
4. The invoicing process works well”

Ms Wxxx

"Thanks very much for sending the report. It is extremely useful in identifying areas that need rectifying"

Mr Wxxxxxx

“Whenever I have had occasion to contact Home Safe in relation to queries regarding Selective Licensing for my mother's properties, I have always found your response to be helpful and supportive. Thank you.”

Home Safe has an IT facility in place whereby relevant WLDC officers can escalate issues direct to our team, simply, efficiently and with an audit trail, if the property in question is registered with Home Safe. This also works well for the member landlord as the team can liaise quickly with them, point out the potential licensing breach and then guide them towards a plan of action to resolve the issue that has been raised by WLDC. The number of issues raised on Home Safe by WLDC so far is **70**.

Home Safe has liaised with the relevant member landlords as well as their Agents where applicable and, of the 70 WLDC referrals, the number of issues resolved and closed by Home Safe is **55** with **15** cases currently pending resolution.

Home Safe's data also shows that Gainsborough members are spending in the local DIY stores to rectify property disrepair. The B & Q Trade Point Card (available as a Home Safe membership benefit) Spend has a year on year growth of **16.7%**. In the rolling 12-month period, the transaction count in the B & Q Lincoln & Gainsborough Stores is significant. The Gainsborough store has processed 533 transactions and the Lincoln store has processed 166 transactions from the Gainsborough member database.