

# THE CASE FOR SELECTIVE AND ADDITIONAL LICENSING IN MORECAMBE

June 2023



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## **1.0 Introduction**

Lancaster City Council are consulting on a proposal to introduce a targeted selective and additional licensing scheme in Morecambe's West End and Heysham North Wards to tackle the issues being experienced in its private rented sector (PRS). Property licensing is a tool that assists local authorities to manage the private rented sector more effectively and improve property conditions, therefore allowing private renters to access safer accommodation.

### **1.1 Background**

In 2017, Lancaster City Council undertook a consultation on whether to introduce a landlord licensing scheme in a selected area of Morecambe.

The decision was made not to go ahead with the scheme at the time, but the Council committed to undertake a review of this decision. The review was delayed because of the Covid Pandemic, but this report will now update and reconsider the original report on whether the area under consideration meets the conditions for selective and additional licensing, and if so, what boundaries a licensing scheme should fall within.

The report will focus on data from two wards in Morecambe, Heysham North and West End wards. Lancaster City Council saw several ward boundary changes in May 2023, one of which was the replacement of Harbour ward with the West End ward. Although Harbour ward no longer exists, much of the data included in this report was collected prior to the boundary change, so still refers to Harbour.

### **1.2 Lancaster District**

Lancaster City Council is the second largest Lancashire authority in geographic terms, and has a population estimate in 2021 of 142,162. Population growth has been under-pinned by strong net-migration. Lancaster has around 64,600 dwellings, of which 90% are either owner occupied or private rented, but the local authority retains a notable proportion of the dwelling stock. There are a high proportion of properties in the lowest council tax bands in comparison to the national average.

Both wards in Morecambe under consideration have high numbers of houses in multiple occupation, many of which were converted from guests houses to create small self-contained flats. The private rented sector is an important source of housing in the wards, with some streets seeing up to 70% privately rented.

### **1.3 Policy Framework**

Lancaster City Council's vision is for the Lancaster district to thrive as a vibrant regional centre in the northwest of England, making the most of the district's many attributes as a great place to live work and visit. The Council has set a corporate plan and priorities, along with a strategy for how it aims to serve the district. These priorities include promotion of healthy and happy communities by developing housing to ensure people of all incomes are comfortable, warm, and able to maintain their independence.

Good quality rented homes are known to have a positive impact on the health and wellbeing of tenants, and this also extends to the local community and environment.

The government wants to see a strong, healthy, and vibrant private sector housing market and is reviewing current legislation through The Renters' Reform Bill which is currently going through parliament and includes a number of significant changes.

Lancaster City Council's Homes Strategy sets out the strategic direction for housing activity in the Lancaster district for 2020 – 2025, taking account of the identified housing need and supply alongside the quality of new and existing housing stock. Chapter 11 (page 49) sets out the Council's ambitions for improving the private rented sector and outlines the challenges that are faced, including around climate change. The associated action plan includes a review of whether the council should implement selective licensing in Morecambe as part of the overall strategy.

In 2019 the Council published a homelessness strategy for the years 2020 – 2023 which emphasized the importance of developing the private rented sector as a safe and affordable source of housing.

It is within this context that licensing is being considered.

#### **1.4 An Overview of Selective Licensing and Additional Licensing**

Mandatory licensing of the Private Rented Sector only extends to the licensing of particular Houses in Multiple Occupation (HMOs). However, local authorities have also been given the power to introduce extra mandatory licensing of the PRS, in the form of selective licensing and/or additional licensing for HMOs to tackle problems such as low housing demand or significant anti-social behaviour (ASB). The specific criteria for introduction of such schemes are listed later in this section.

Additional Licensing applies only to HMOs and extends the definition of those already subject to mandatory licensing to cover a broader definition of HMOs, for example buildings converted into self-contained flats.

The Housing Act 2004 directs that for additional licensing to be introduced, the authority must consider that a significant proportion of the HMOs in the area are being managed sufficiently ineffectively as to give rise, or to be likely to give rise to one or more particular problems for those occupying the HMOs or for members of the public.

Selective licensing allows Local Authorities to licence all privately rented properties in a designated area. Initial schemes for selective licensing introduced blanket licensing across entire districts. Since April 2015, authorities must obtain confirmation from the Secretary of State for schemes covering greater than 20% of a geographical area or constituting 20% or greater of the districts PRS. Schemes that fall below 20% coverage do not need this approval.

The Housing Act 2004 has two sets of general conditions that should be satisfied for a local authority to designate an area for selective licensing. The first set of conditions can be found in Part 3 of, section 80, (3):

*that the area is, or is likely to become, an area of low housing demand; and(b) that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, contribute to the improvement of the social or economic conditions in the area*

The second set of conditions can be found in Part 3 of the Housing Act 2004, section 80, (6):

*that the area is experiencing a significant and persistent problem caused by anti- social behaviour;*

*(a) that some or all of the private sector landlords who have let premises in the area (whether under leases or licences) are failing to take action to combat the problem that it would be appropriate for them to take; and*

*(b) that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, lead to a reduction in, or the elimination of, the problem.*

*“Private sector landlord” does not include [F1a non-profit registered provider of social housing or] a registered social landlord within the meaning of Part 1 of the Housing Act 1996 (c. 52).*

In March 2015, the government extended these conditions to permit licensing where:

*The area contains a high proportion of properties in the PRS, being properties which are occupied under assured tenancies or licenses to occupy, and one or more of specified further conditions also apply:*

***Housing conditions:*** *the local housing authority considers it appropriate and intends to carry out inspection of a significant number of properties to determine the existence of category 1 and 2 hazards, with a view to taking any necessary enforcement action;*

***Migration:*** *the area has “recently experienced or is experiencing an influx of migration into it”; a significant number of properties are occupied by migrants; and the designation will assist the local housing authority to preserve or improve conditions in the area, ensure properties are properly managed, or prevent overcrowding;*

***Deprivation:*** *the area is “suffering from a high level of deprivation, which affects a significant number of the occupiers of [the] properties” and the designation will contribute to a reduction in deprivation;[3]*

***Crime levels:*** *the area “suffers from high levels of crime”; criminal activity affects persons occupying the properties; and the designation will contribute to a reduction in crime levels “for the benefit of those living in the area”.*

### **1.5 What does licensing mean for landlords in the designated areas?**

Licensing means that landlords/agents who privately rent properties in the designated areas of the district would need to license each rented property prior to renting it out making them a “licence holder”. They must then comply with the conditions of their licence.

As part of the application process, checks are made to ensure that potential licence holders are “fit and proper” under the requirements of the Housing Act 2004 (Part 3) to manage properties. Further to this, they must declare that the property has an appropriate number of occupants (i.e. is not overcrowded), has up-to-date safety certificates, appropriate fire alarms, and other similar checks are made to ensure that the property is acceptable for renting out to tenants.

The conditions of the licence contain several stipulations designed to protect tenants, such as ensuring they have all the information necessary (e.g. a copy of the tenancy agreement, instructions on refuse disposal etc.), and a clear understanding of their rights and responsibilities.

During the five years of the designation, the Council will be undertaking a programme of inspections to ensure that licence conditions are being followed by licensed landlords,

and to identify landlords who have not licensed their property. Where issues are found, the Council will work with the landlord in question to deal with the problem. Where serious issues are found, or landlords are not willing to comply with the licence scheme, the Council has the power to prosecute or impose civil penalties as necessary.

The Councils intention is to inspect all properties within the 5-year period of the designation. Applications will be subject to a risk assessment based on any indications of serious issues; and will be visited as a priority at the application stage if the assessment indicates this is required.

### ***1.6 The intended benefits of Selective Licensing, Additional Licensing***

Through landlords complying with the licence conditions, the intention is that this will result in a level playing field for the properties in the proposed designation - with licence holders treated the same and tenants having clear expectations about the property they are renting.

The Council believe that a joined-up approach with other housing enforcement powers has a greater impact on tackling poorly managed or unsafe properties, and the development of positive working with landlords. This is intended to make private renting a more attractive option, creating homes that people want to live in.

Licensing can help to improve neighbourhoods and communities by addressing some of the issues that have been identified within the research. This should result in better property standards and ensure that both tenants and landlords are aware of what is expected of them.

Landlord licensing gives the Council the ability to identify and take the strongest action against criminal and non-compliant landlords whose unprofessional or poor property management causes problems for the tenants, putting them at unacceptable risk and destabilising neighbourhoods.

Outcomes that may be expected of the new proposed licensing schemes are as follows:

- Improved housing conditions for those in the private sector;
- A reduction in significant and persistent problems caused by anti-social behaviour;
- An increase in good landlords and an elimination (or at least a significant reduction) of rogue landlords

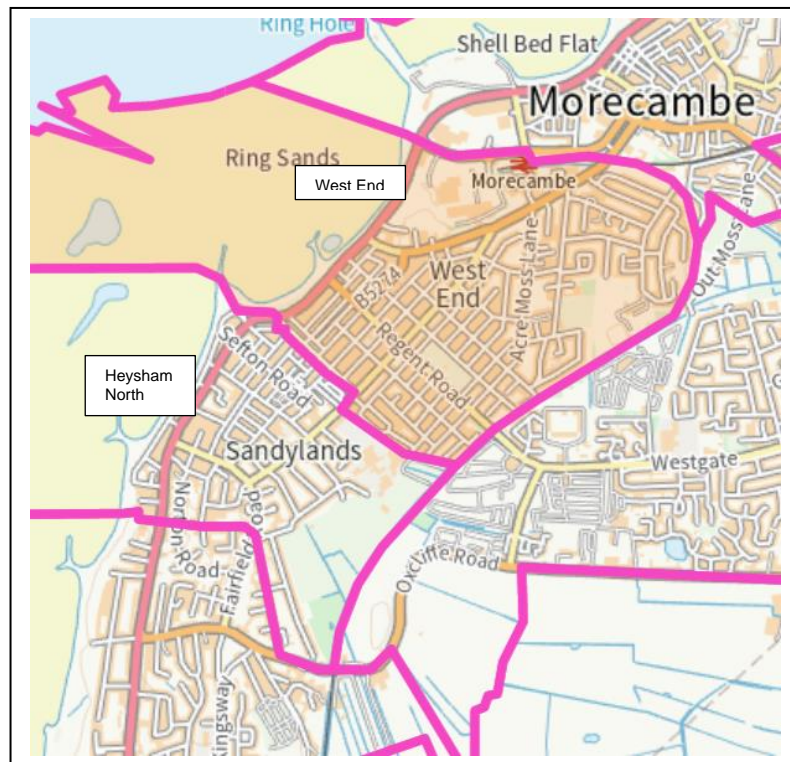
## **2.0 Areas considered for Selective and Additional Licensing Feasibility**

### ***2.1 Geographical Area***

The following section will consider the composition of the area considered for licensing. Statistics regarding the geography, population and housing will be used to provide an overview of the area and its people. In addition, data on housing benefit numbers and the size and distribution of the PRS market will provide an indication of how appropriate a designation for licensing would be in this area. Information used in this section has primarily been collated from the 2021 Census data with other sources referenced throughout.

Our analysis is focused on two wards – West End and Heysham North, known locally as The West End of Morecambe. Geographically, the two wards lie side by side, with Heysham North to the south. Boundary changes in 2023 created the new West End ward from what was previously Harbour ward. Many of the statistics will refer to Harbour ward, but the boundaries are comparable.

Heysham North and West End Wards are largely residential. However, there are several smaller shops, occupying the ground floor of buildings along the main roads especially along Regent Road.



Map of West End and Heysham North Wards: The pink line marks the boundaries.

## 2.2 Population

The 2011 and 2021 census, provide the following data for population in the two wards:

Ward	Population 2011 census	% of district population 2011	Population 2021 census	% of district population 2021
Harbour	7775	5.6%	7728	5.4%
Heysham North	4740	3.4%	4801	3.4%

Source: Census 2021

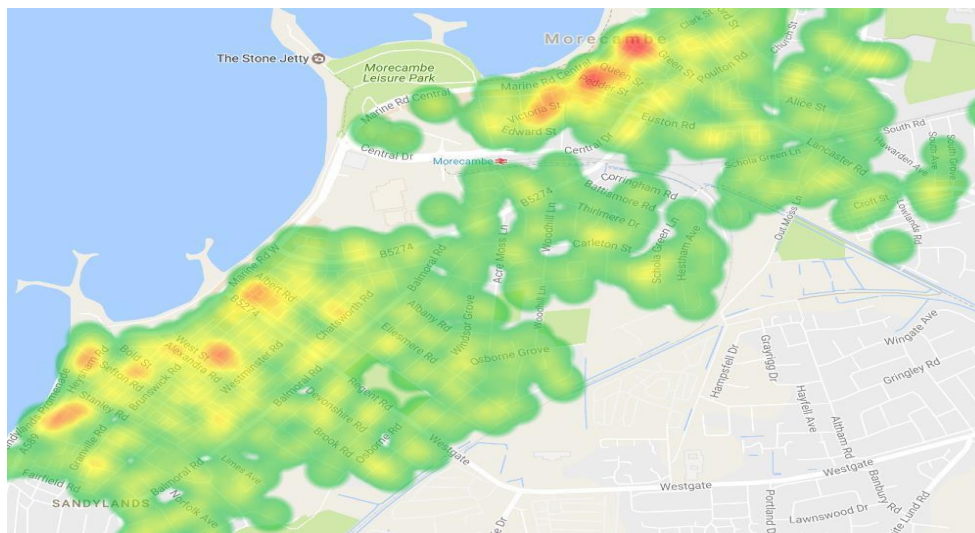
The total population of the two Wards under consideration is 9% of the population of Lancaster District.

### 2.3 Population Density

Area	Hectares	People per hectare
District	57,585.64	2.4
Harbour	108	59.1
Heysham North	79	67.1

Source: Census 2021

The two wards make up less than 1% of the districts area yet contain 9% of its population. Both wards have a high population density. When the Census data is examined on an Output Area level it is possible to see where population is densest:



Source: Selective Licensing Feasibility Study 2017, Williams.

The heat map demonstrates that the densest population is found in Heysham, West End and Poulton wards.

### 2.4 Mosaic data

Experian has used a variety of data sources, including credit scoring, to develop intelligence regarding demographics, lifestyles and behaviour. They have created 14 groups with 66 different categories and applied these categories to geographical areas. The wards considered for this study are all classed as 'Transient Renters' – single people privately renting low cost homes for the short term.



## 2.5 Housing

The 2021 census, provides the following data for the number of households in the two wards:

Ward	No. households	% of district households
Harbour	3380	5.6%
Heysham North	2106	3.5%

Source: 2021 Census

Of the 59,978 households counted in the 2021 census for the Lancaster District, 9.1% were listed in the area considered for licensing.

Both wards have a mixture of accommodation types:

Accommodation type	Heysham North	% of total	Harbour	% of total
<b>Whole House or Bungalow</b>	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>
Detached	73	5%	153	7%
Semi-detached	616	45%	1550	67%
Terraced	670	49%	621	27%
<b>Total</b>	<b>1359</b>	<b>65%</b>	<b>2324</b>	<b>69%</b>
<b>Flats Maisonette, other</b>				
In a purpose-built block of flats	417	56%	553	52%
Part of a converted or shared house	294	39%	396	37%
Part of another converted building	18	2%	33	3%
In a commercial building eg over a shop	15	2%	60	6%
A caravan, mobile, temporary structure	2	0.2%	17	2%
<b>Total</b>	<b>746</b>	<b>35%</b>	<b>1059</b>	<b>31%</b>

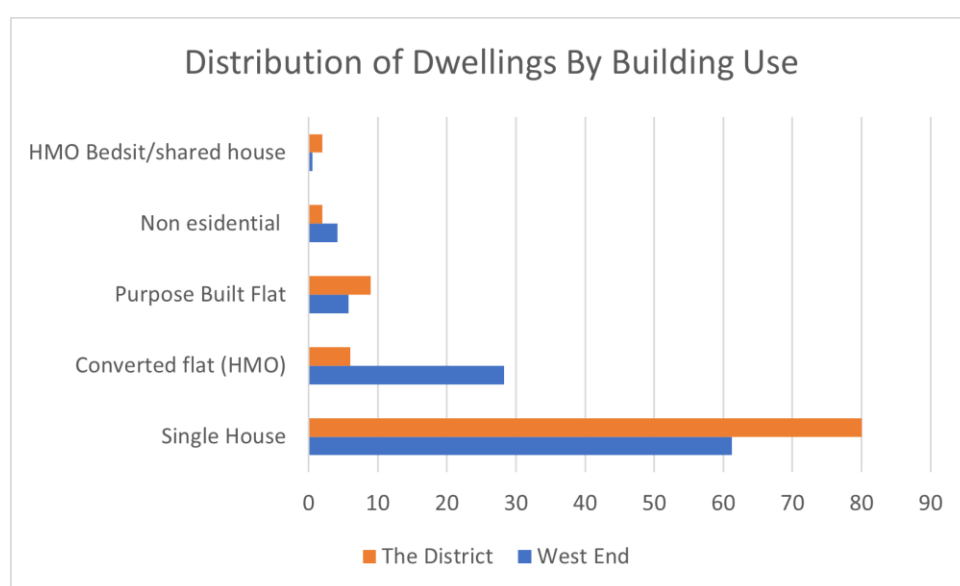
Source: 2021 Census

On average 67% of accommodation is listed as 'Whole house or bungalow, with 33% listed as 'flat, maisonette or apartment. Both wards have high concentrations of large terraced housing, formally used as holiday accommodation. The greater concentrations of these properties can be found in the West End of Morecambe, made up of the border between Heysham North and Harbour wards. A significant number of properties listed as flats or apartments have been converted from terraced properties to self-contained flats.

The larger of these properties can contain as many as eight flats, though typically there will be three flats per property. When considered at output area level, there are a number of postcodes within the three wards where over 70% of the accommodation is listed as a flat or apartment.

The following graph compares the number of converted flat type HMOs in the West End with the rest of the district. This shows a significantly higher number. This type of HMO will not be included in mandatory HMO licensing, but it would be included under a selective and/or additional licensing scheme.

The number of HMO bedsit/shared house type of HMO is higher across the district. This reflects the student housing stock in Lancaster, which is currently regulated through mandatory HMO licensing.



Source: Lancaster House Condition Survey 2004

## 2.6 Tenure

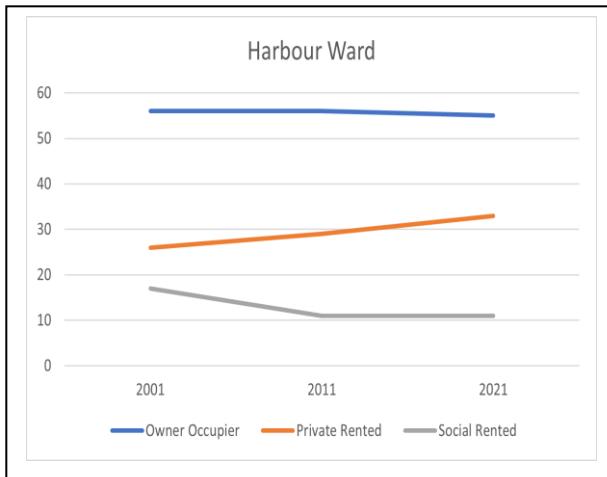
Census returns for tenure are broken down into three categories – Owner Occupier, Private Rent and Social Rent. A comparison of the 2001, 2011 and 2021 censuses provides the following data:

### Changes in Tenure between 2001 and 2021

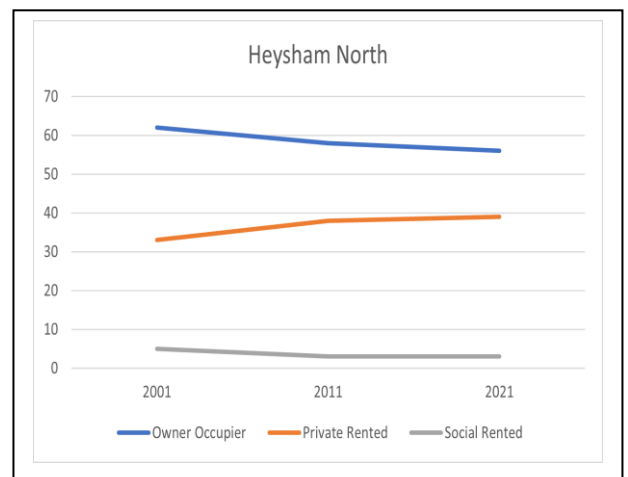
	% owner occupier				% private rent				% social rent			
	2001	2011	2021	+/-	2001	2011	2021	+/-	2001	2011	2021	+/-
Harbour	56%	56%	55%	-1%	26%	29%	33%	+7%	17%	11%	11%	-6%
Heysham North	62%	58%	56%	-6%	33%	38%	39%	+6%	5%	3%	3%	-2%

Source: Census 2001, 2011, 2021

## Harbour Ward



## Heysham North Ward



In twenty years, there has been a decrease in both the number of houses owned and in the amount of social housing. At the same time there has been an increase in the number of people living in private rented accommodation.

The percentages for private rented accommodation reveal more when considered at a

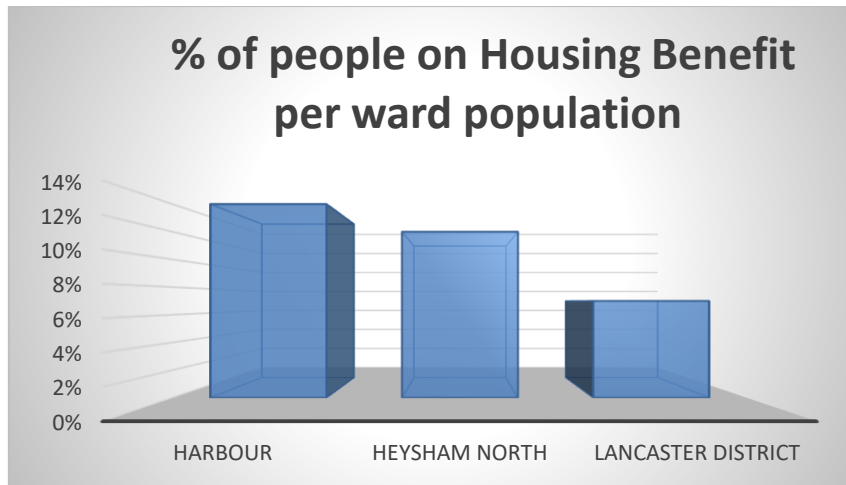


Census Output Area (COA) level. By looking at the tenure statistics for private rented accommodation on a COA level, the percentage varies massively. For Harbour Ward alone, there is a range of between 5% - 80% of people living in PRS accommodation. The heat map shows where the greatest concentrations of tenure listed as privately rented can be found. Source: Selective Licensing Feasibility Study 2017, Williams

The heaviest concentration of PRS housing can be found in two areas – the centre of Poulton ward and in the West End, covering Harbour ward and the border of Heysham North.

## 2.7 Housing Benefit

This graph shows the proportion of households receiving support with their housing costs. Support can be claimed by persons if they are living on a low income and are liable to pay rent.



Source: Data from Department of Work and Pensions (DWP) 2022

A high proportion of the district's PRS housing benefit claimants live within the two wards - 24% of PRS housing benefit claimants, compared to 6% of the district's population. A designation of licensing, made in this area is likely to contain a high proportion of PRS accommodation.

## 2.8 Summary

The data presented shows that the two wards under consideration represent a relatively high proportion of the districts:

- Population
- Private rented sector housing
- Housing Benefit claimants

It is within this context that any decision to designate an area of Morecambe for licensing will be made. Conditions remain similar to those presented in the 2017 report, and there has been a continuation in the trend of the increase of the private rented sector. The data in this section clearly identifies that a substantial portion of the area considered is made up of PRS housing.

## **3.0 Evidence in Support of Licensing in Morecambe**

In order to identify the areas where licensing will be most effective and in order to provide adequate justification for a designation, we have considered a number of factors which come under the general conditions set out in the Housing Act 2004. This section will consider these factors under the following headings:

- Housing Demand
- Anti-Social Behaviour
- Housing conditions

- Migration
- Deprivation
- Crime levels

Where possible, data that has been used as supporting evidence, is current. However, in some instances the available data is from the last census. Where this is the case, there is an acknowledgement that the numbers quoted will have changed. In these instances, the data should be used as an indication rather than an accurate reflection of the situation.

### **3.1 Housing Demand**

The first set of conditions that might be satisfied when making a designation for licensing are:

*(a) that the area is, or is likely to become, an area of low housing demand; and*

*(b) that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, contribute to the improvement of the social or economic conditions in the area.*

In support of the first condition listed above we have considered data for the following:

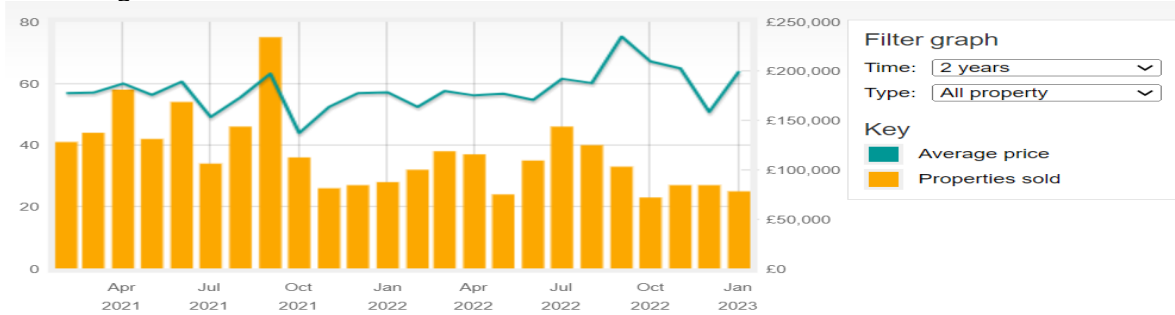
- House prices
- Number of empty homes

#### **3.1.1 House Prices**

House prices are a good indicator of housing demand. Areas of low housing demand will typically have lower than average house prices and fewer sales than other areas in a district. High instances of ASB, low employment or vagrancy will all have an impact on house prices.

Using Right Move, we have made a comparison between the two largest population centres in the district – Lancaster and Morecambe, and specifically between the LA1 and LA3 postcodes. House prices in general are higher in Lancaster compared to Morecambe. The two graphs below show a comparison of average house prices in LA1 (Lancaster), LA3 (Morecambe) over the last two years (to January 2023).

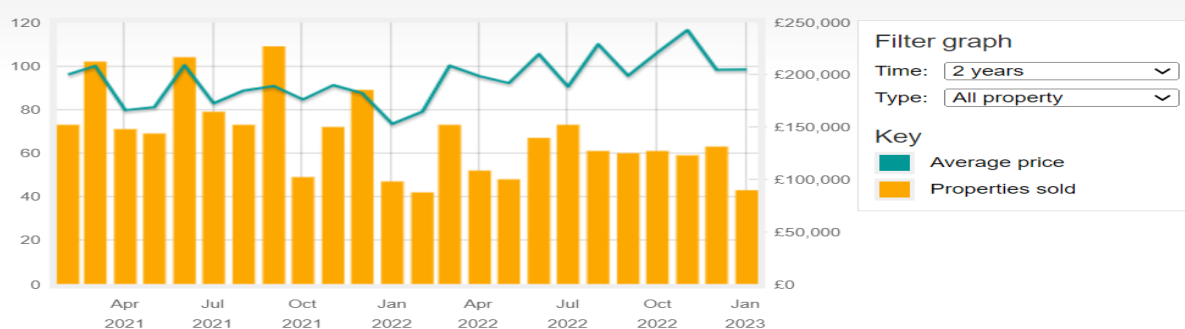
**House Price Trends for the postcode LA3 over a period from March 2021 to January 2023.**  
Source: Rightmove



This table shows the average price and the amount (in brackets) of properties sold for the last available 6 months:

	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23
Detached	£273,433 (9)	£318,031 (13)	£281,083 (6)	£229,400 (5)	£287,000 (3)	£418,750 (4)
Semi Detached	£216,808 (13)	£201,833 (12)	£212,591 (11)	£229,059 (16)	£217,750 (8)	£186,033 (9)
Terraced	£154,217 (9)	£187,100 (5)	£166,250 (4)	£133,250 (4)	£120,520 (6)	£169,250 (6)
Flat	£94,217 (9)	£88,333 (3)	£68,500 (2)	£65,455 (2)	£95,685 (10)	£105,333 (6)
Residential	£0 (0)	£0 (0)	£0 (0)	£0 (0)	£0 (0)	£0 (0)
<b>All</b>	<b>£187,882 (40)</b>	<b>£235,057 (33)</b>	<b>£209,869 (23)</b>	<b>£202,809 (27)</b>	<b>£158,628 (27)</b>	<b>£199,871 (25)</b>

**House Price Trends for the postcode LA1 over a period from March 2021 to January 2023:**  
Source : Rightmove



This table shows the average price and the amount (in brackets) of properties sold for the last available 6 months:

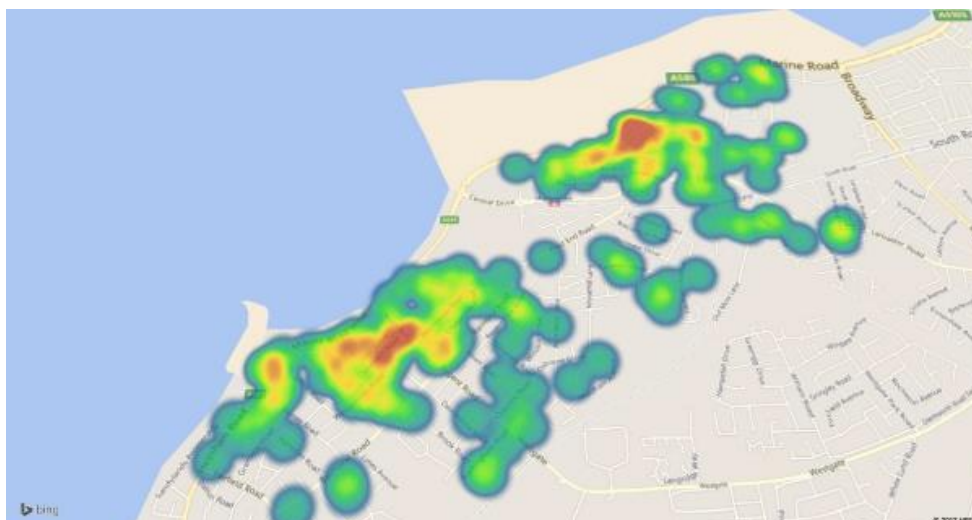
	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23
Detached	£408,333 (3)	£545,000 (3)	£447,306 (8)	£1,071,900 (4)	£437,500 (5)	£436,250 (4)
Semi Detached	£266,662 (25)	£207,367 (12)	£216,466 (18)	£223,386 (18)	£228,777 (11)	£222,136 (11)
Terraced	£201,721 (23)	£182,174 (32)	£183,170 (23)	£169,257 (28)	£187,362 (33)	£181,357 (21)
Flat	£144,900 (10)	£152,727 (13)	£150,000 (12)	£141,083 (9)	£143,393 (14)	£116,414 (7)
<b>All</b>	<b>£229,182 (61)</b>	<b>£198,973 (60)</b>	<b>£221,110 (61)</b>	<b>£242,669 (59)</b>	<b>£204,674 (63)</b>	<b>£204,927 (43)</b>

The average value can be broken down by property type:

House prices for both postcode areas have increased at a similar rate, and the average house price for Lancaster in 2017 is about £225,560, the average for Morecambe is £182,493. On average, LA1 house prices are 19% higher.

House prices in Lancaster are consistently higher than in the three wards considered, although the differential is less than was seen in the 2017 report on licensing.

### 3.1.2 Empty Homes



Long term empty properties have a negative impact on a neighbourhood. If an empty property falls into a state of disrepair, problems such as damp and rot can spread to adjacent houses. Apart from the physical impact that this will have on properties in immediate vicinity, it will also affect the value of properties in the area and the overall desirability of the neighbourhood as a whole. Added to this, empty properties can quickly become a magnet for vagrancy and anti-social behaviour, such as vandalism and substance misuse.

In the district, there are currently 2921 empty property accounts. In the two wards considered, there are 301 empty properties:

Ward	total empties	% of ward	% for the district	average length of time empty (days)
Harbour	167	5.2	5.72	690
Heysham North	134	4.95	4.98	1021

Source: Council Tax Data 2023

The two wards have 9% of the housing for the district, however, they have 15% of all empty properties. The average length of time that properties are long-term empty in the district is 1390 days. However, the average length of time a property is empty in Harbour and Heysham North is 1200 days. These figures demonstrate that because of the higher proportion of empties there is a risk of a negative impact on housing demand and on the community, but there is no evidence that properties remain empty for longer in the wards under consideration.

## 3.2 Anti-Social Behaviour

Anti-social behaviour is the common term used to describe incidents or actions that cause damage or affect the quality of life of people, and includes activities such as:

- Fly tipping
- Graffiti
- Noise
- Vandalism

This section will explore trends between ASB and Private Rented Sector housing in the two wards. The Government's guidance states:

*'In considering whether the area is suffering from anti-social behaviour which a landlord should address regard must be had as to whether the behaviour is being conducted within the curtilage of the rented property or in its' immediate vicinity.'*

There is some difficulty in establishing this, as data on ASB doesn't state where the activity has taken place and anecdotal evidence cannot be submitted as it is likely to identify individual people or landlords.

A further problem in linking ASB to PRS housing is that often PRS housing is found in proximity to pubs and clubs where late night drinking will occur. There is likely to be a higher level of recorded ASB, but it could be argued that responsibility lies with the owners of the licensed premises. It is difficult to make a direct link between ASB and PRS housing, but it is possible to make a comparison of the levels of reported ASB between areas with a large concentration of PRS housing and areas of social housing or owner occupiers. Where there are incidents in social housing, the local authority or housing association have long-established mechanisms for dealing with ASB.

Information in this section has been collated from Lancashire's Multi-Agency Data Exchange (MADE) and Police UK . It is collected from a number of partners. It covers a number of indicators which partners can use to plan strategically in order to make Lancashire a safer place to live. We have considered the following indicators:

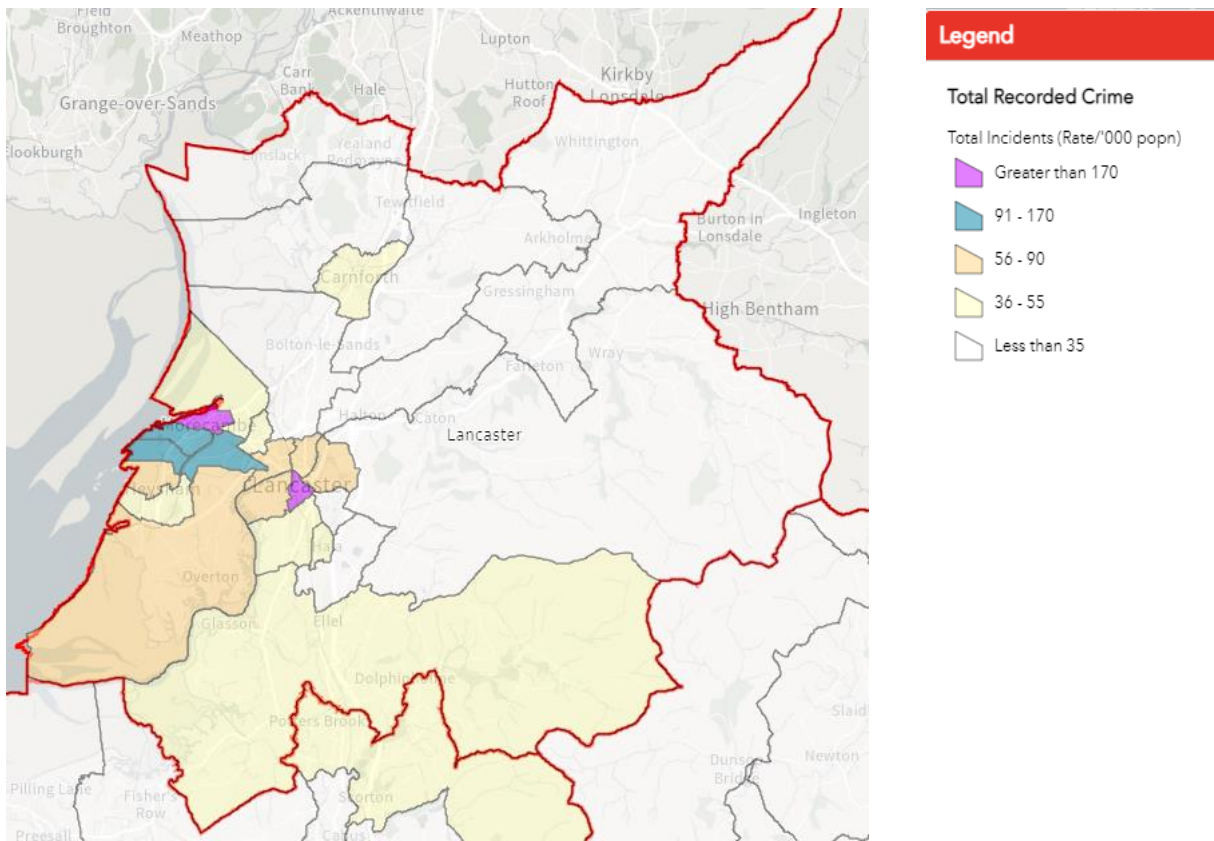
- Anti-Social Behaviour – Personal
- Anti-Social Behaviour – Nuisance
- Anti-Social Behaviour – Environmental

Private landlords are not directly responsible for the behaviour of their tenants. However, they are responsible for managing instances of ASB if they are caused by their tenants in the vicinity or 'curtilage' of their property.

### 3.2.1 Ward-level Anti-Social Behaviour

The following map shows the number of calls to the Police on ASB for the April 2022 to March 2023 period for the Lancaster district. The district is outlined in red, and the wards with the highest reported ASB are shown in pink. These are Poulton and Castle wards. The next highest are shown in blue – showing a cluster for Heysham North, Harbour and Westgate wards.

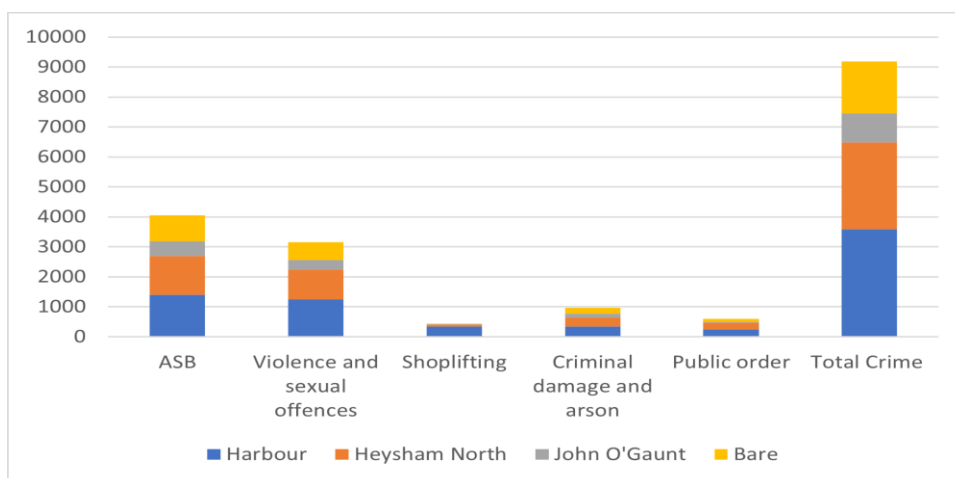




Incidents of reported ASB in Lancaster. Source Police.UK

Poulton and Castle wards had the highest totals for ASB incidents in 2021. However, it should be noted that both these wards cover the centre of Morecambe and Lancaster. A large proportion of the incidents recorded in these areas will be related to late-night drinking.

The following graph shows a comparison of crime data for a 3 year period, between 2020 and 2023 in the two wards under consideration for licensing, compared with two other wards in the district, one in Morecambe (Bare) and one in Lancaster (John O’Gaunt). This shows that there are higher numbers of recorded crimes in the two wards under consideration, and higher reports of ASB.



Source: Police UK 2020 to 2023

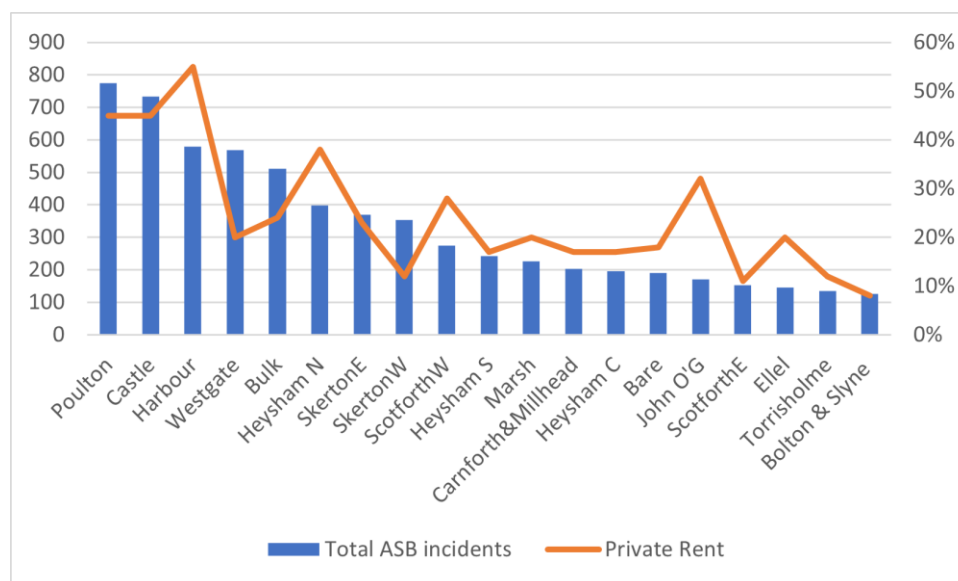
However, a high number of ASB incidents is not justification for introducing licensing without there being some correlation with PRS housing.

To further explore a link between ASB and private rented property, ASB data was compared with census data for tenure. Initially, this was viewed this on a ward by ward level, comparing all the wards in the district. Using MADE, the total number of ASB incidents in the calendar year 01/01/2021 - 21/12/2021 were compiled, and this data was then cross-referenced against 2021 census data regarding tenure. The following table considers the data for Wards with more than 100 recorded ASB incidents:

Ward	Jan-21 - Dec-21			
	ASB incidents reported to the police	% Private rental	%Social Rent	% Owner
Poulton Ward	774	45%	12%	43%
Castle Ward	733	45%	6%	41%
Harbour Ward	580	55%	11%	33%
Westgate Ward	568	20%	19%	60%
Bulk Ward	511	24%	21%	53%
Heysham North Ward	398	38%	11%	56%
Skerton East Ward	370	23%	18%	58%
Skerton West Ward	354	12%	32%	56%
Scotforth West Ward	275	28%	7%	63%
Heysham South Ward	242	17%	9%	73%
Marsh Ward	227	20%	16%	62%
Carnforth & Millhead Ward	203	17%	7%	75%
Heysham Central Ward	195	17%	7%	76%
Bare Ward	191	18%	2%	80%
John O'Gaunt Ward	170	32%	5%	62%
Scotforth East Ward	152	11%	16%	73%
Ellel Ward	145	20%	4%	73%
Torrisholme Ward	135	12%	1%	86%
Bolton & Slyne Ward	126	8%	2%	80%

The graph below compares the total ASB incidents reported to the police in 2021, with the percentage of private rented sector accommodation in the same ward. This demonstrates a relationship between ASB and PRS housing and illustrates that where there is a high percentage of PRS housing, there are greater incidences of ASB. However, there are exceptions to this trend, for example in the Skerton wards, there is a low percentage of PRS, but it does have a high percentage (38%) of social housing in the district. Elsewhere, there are instances where there is a high percentage of PRS but low ASB – for example John O'Gaunt ward where there is a high percentage of student housing. This might be explained by the Universities having strict policies on ASB and dealing with many

complaints prior to them being reported to the police.



Relationship between reported ASB and concentration of private rented accommodation. Source Police UK and Census 2021

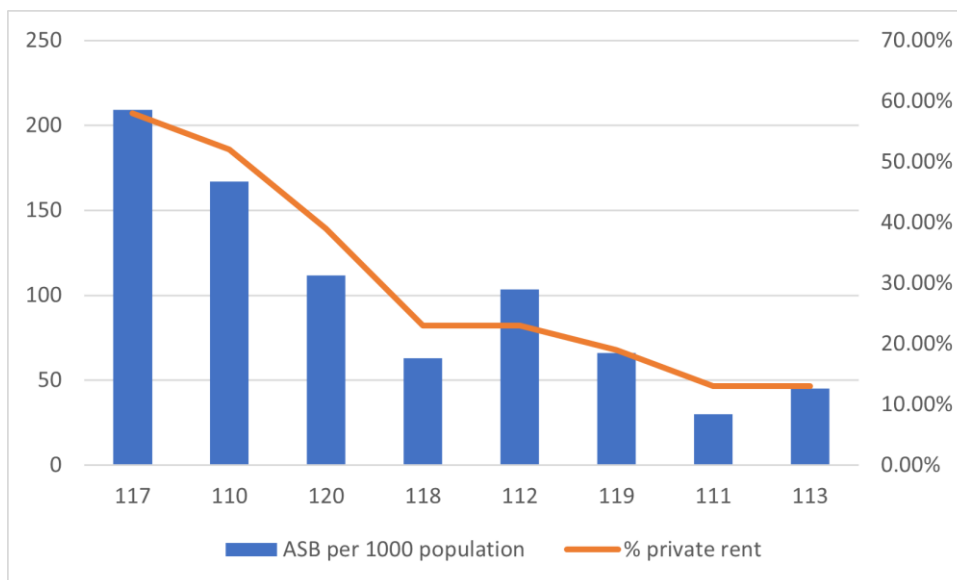
### 3.2.2 LSOA-level Anti-Social Behaviour

To discern whether the relationship between ASB and PRS housing is a consistent trend, or coincidental, we considered data for Lower Super Output Areas (LSOA), on a smaller geographical footprint. The two wards are made up of 8 LSOAs – 4 each in Harbour and Heysham North. Again, data was compiled from MADE to show the total number of ASB incidents in a calendar year and the rate of incidence, per thousand people.

The same data as seen in the 2017 report has been presented as this was the most up to date data available.

Ward	LSOA Code	population	All ASB	ASB per 1000 population	% private rent
Heysham	E01025117	1406	294	209.10	58%
Harbour	E01025110	1714	286	166.86	52%
Heysham	E01025120	1405	157	111.74	39%
Heysham	E01025118	1115	70	62.78	23%
Harbour	E01025112	1906	197	103.36	23%
Heysham	E01025119	1348	89	66.02	19%
Harbour	E01025111	1807	54	29.88	13%
Harbour	E01025113	1224	55	44.93	12%

The three LSOAs with the highest ASB incidence per 1000 population also have the highest percentage of PRS housing. Conversely, the three LSOAs with the lowest ASB incidence, also have the lowest percentage of PRS housing. The following graph illustrates the trend:



Source: census 2021 and Police UK

#### Relationship between reported ASB and private rented housing in LSOA.

A number of the nuisance incidents listed above are likely to take place ‘*within the curtilage of the rented property*’. Where this is the case, landlords become responsible for the management of the anti-social behaviour of their tenants. Where the landlord is the local authority, it has a statutory responsibility to manage the ASB. Private landlords will often address the situation by evicting the tenant. However, this would be dependent on the landlord being prepared to do so. The evidence presented above suggests that not all landlords have been effective or active in managing ASB. This could be because the landlord is absent or a rogue landlord.

#### Environmental Nuisance

Lancaster City Council’s Public Realm Service has used a data capture and mapping exercise to determine which areas in the district present particular problems with fly tipping, and identified Harbour, some parts of Heysham North and Poulton wards in Morecambe as hotspots. Between 2019 and 2022, 43% of complaints to the Council about fly tipping were in these three wards.

The Keep Britain Tidy report on Understanding Waste Management in Houses of Multiple Occupation: A Tenant Perspective, 2021, found that HMOs presented specific waste management challenges. In addition to generating more waste than other property types, anecdotal evidence from local authorities suggests these properties often produce low recycling rates, high levels of recycling contamination, as well as incorrect presentation of waste and fly tipping.

This was corroborated through interviews with staff from Lancaster City Council’s Environmental Services section as being an issue in Morecambe’s West End. Problems experienced that were associated with HMOs were found to include:

- A lack of adequate storage and storage space

- Difficulty for upper floor tenants to access the back yard of the building where the bins were kept.
- Lack of vehicle ownership to transport bulky matters, resulting in an increase in fly-tipping of items such as old mattresses.
- Lack of money to pay for the service to collect bulky matters.
- Rubbish bags put outside on the wrong day, and left for long periods of time.
- Seagull populations breaking open poorly stored bin bags.
- Contaminated recycling

The Keep Britain Tidy report makes a number of suggestions for interventions, and some of those are already being implemented in Morecambe's West End. For example, the distribution of bags designed to be seagull proof, increased collection rounds, 'bring sites' where residents with limited storage can bring their waste. However, staff found that there was no clear messaging from landlords and letting agents to their tenants on waste management, with some tenants not knowing what the rubbish collection arrangements were, or even on what day it would be collected.

Waste management by landlords in their properties by providing adequate storage and advice for new tenants, as well as being vigilant to problems arising, would be a key part of any licensing conditions.

One of the recommendations from the research published by Keep Britain Tidy is to increase enforcement of HMO licensing schemes.

### 3.3 Housing Conditions

The general conditions for selective licensing state:

*the local housing authorities considers it appropriate and intends to carry out inspection of a significant number of properties to determine the existence of category 1 and 2 hazards, with a view to taking any necessary enforcement action;*

For the criteria of this condition to apply, there would have to be significant evidence of landlords failing to manage their properties. Data was gathered from Lancaster City Council's database covering the number of category 1 and 2 hazards reported or found by enforcement officers. Additional data covered the number of statutory notices issued and complaints to the city council regarding PRS housing.

#### 3.3.1 Category 1 and 2 Hazards

The Housing Health and Safety Rating System (HHSRS) is a risk-based evaluation tool that is used to protect against potential hazards in the home. HHSRS is used in rented property and assesses 29 housing hazards and the affect that they may have on the health and safety of occupants. If one of the hazards is spotted on an inspection, it is assessed in terms of the likelihood of an incident arising and the likely harmful outcome. Serious concerns will have a high score and are a category 1 hazard. The frequency of hazards in a property is a good indication of poor housing conditions overall. Category 2 hazards also indicate disrepair, but items are less serious.

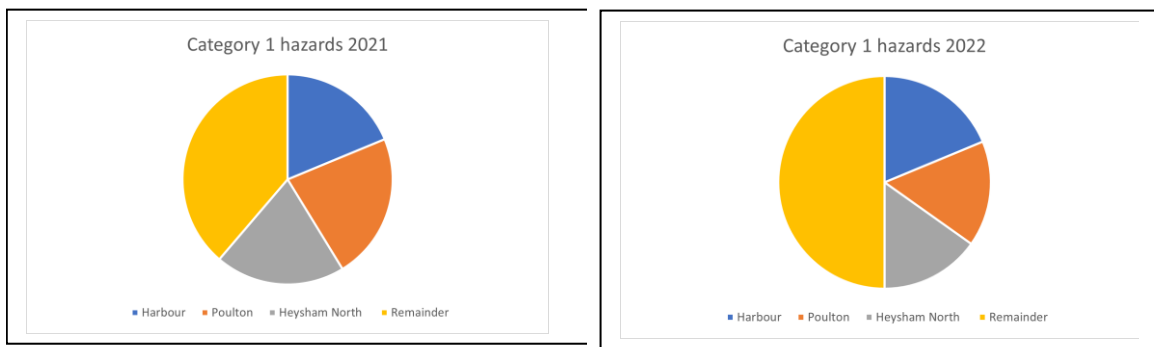
Using data from Lancaster City Council's database we compiled data for Category 1 hazards that have been resolved in the district over the last 4 years. The data covers incidents reported for privately rented and housing association properties. The following chart shows only the wards where there have been the highest number of category 1 hazards resolved in the last 4 years.

Harbour, Heysham North and Poulton had the highest instances of hazards in dwellings being serious enough to be category 1 hazards. Combined, the three wards had in some years over 50% of all category 1 hazards recorded in the last 4 years in the district. The yellow portion represents all other 24 wards in the district.

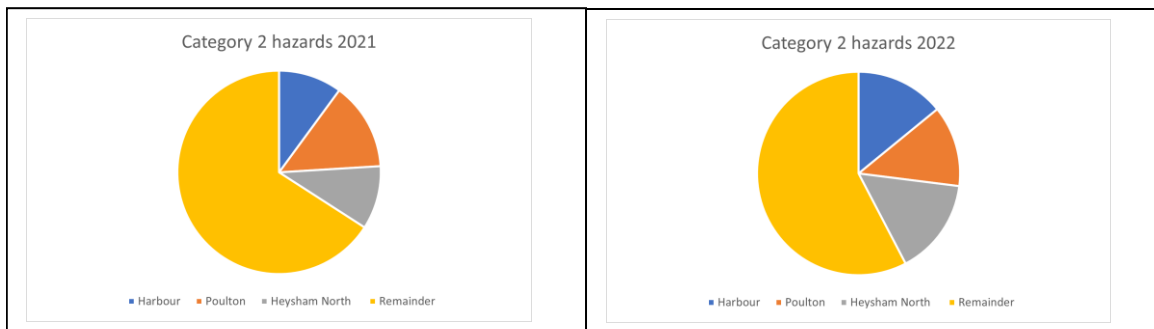
The ward with the fourth highest total, John O'Gaunt, had less than half the number of hazards as Harbour. All four wards have high percentages of PRS housing, however, it is noticeable how much less the occurrence of Category 1 hazards is in John O' Gaunt. Again, this may be due to landlords in this area being associated with the university.

Again, data from Lancaster City Council's database was used to compile data for Category 2 hazards that have been resolved in the district over the last 4 years. The following chart shows only the wards where there have been the highest number of category 2 hazards resolved in the period.

**Category 1 hazards resolved for the years 2019 to 2022.**



**Category 2 hazards resolved for the years 2019 to 2022.**



Once again Harbour, Poulton and Heysham North make up a large proportion of the number of category 2 hazards resolved. However, their dominance is less marked. Category 2 hazards are less serious than category 1, which illustrates that the complaints from properties are about more serious disrepair issues in Harbour, Heysham North and Poulton, than in the rest of the district. This could indicate that the properties are in a poorer condition.

### 3.3.2 Tenant Complaints

Number of disrepair complaints by year					
	2018/19	2019/20	2020/21	2021/22	2022/23
<b>District</b>	<b>275</b>	<b>339</b>	<b>324</b>	<b>276</b>	<b>365</b>
Harbour	52	46	47	38	57
Heysham N	45	57	45	26	55
% complaints in district in these wards	35%	30%	28%	23%	31%

The number of complaints about housing disrepair across the district remains relatively stable, with a slight drop during the Covid pandemic. The wards under consideration make up a disproportionate percentage of the overall complaints, which is an indicator that management of these properties is less effective.

### 3.4 Migration

Migration refers to the movement of people from one area to another. It includes migration within a country and isn't restricted to migration from overseas. Movement of people into an area is likely to have an impact on services and accommodation in the area. Licensing would seek to ensure that the economic conditions are preserved or improved and that those who are moving into the area are not being forced into low quality accommodation or subject to over-crowding. This section will consider evidence regarding the movement of people into the area, from elsewhere in the UK, or from abroad.

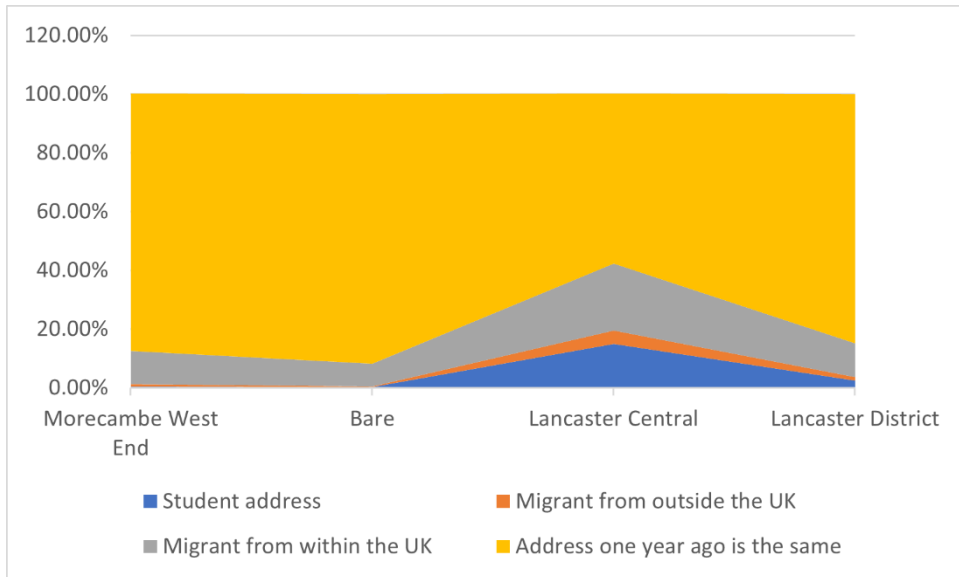
Between 2019 and 2021, migrants were almost three times more likely to be in private rented accommodation than the UK born. Both EU and non-EU migrants had significantly lower home ownership rates (42% and 49% respectively compared to the UK born (70%). Residents born in post-2004 accession countries had the lowest home ownership rate at 22% and the highest percentage of private rental accommodation (52%).

The graph below illustrates that there is more migration into the West End of Morecambe than into Bare in the east of Morecambe. This could reflect the high levels of owner occupation and older population of Bare, compared with the high proportion of private rentals in the West End. Research in the Chief Medical Officer's report suggests that Morecambe is a net importer of people with poorer health, unemployment and precarious labour, and that the availability of low-cost accommodation is driving migration of a less healthy and less well-educated population into the area.

However, Morecambe's west end shows less migration than Central Lancaster, and than the district as a whole.



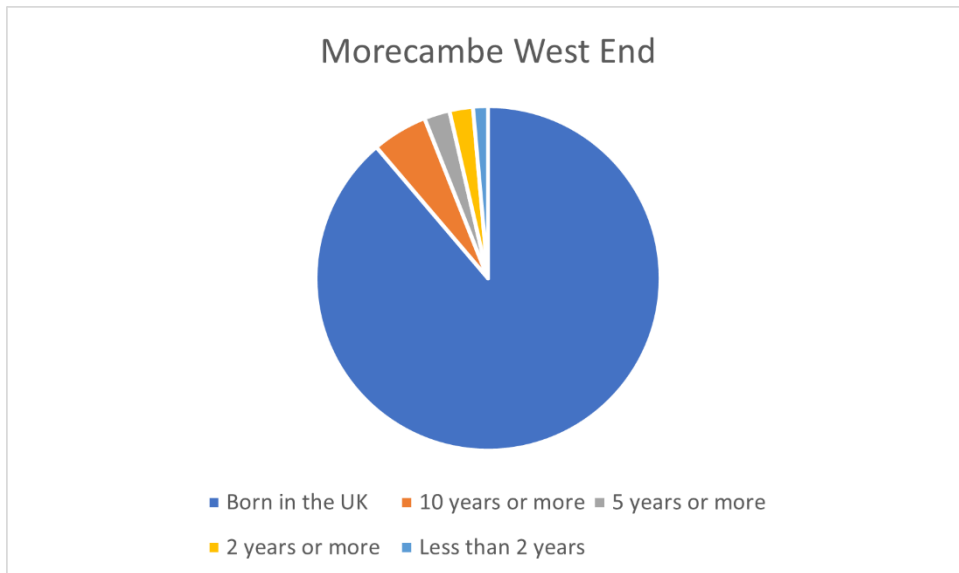
## Migration Figures



Source: Census 2021

Migration from outside the UK into the West End of Morecambe is low, as illustrated by the following graph that shows the majority of residents of the West End were born in the UK, and few have arrived in Morecambe less than two years after arriving in the UK.

Migration from outside the UK into the West End of Morecambe.



Source: Census 2021

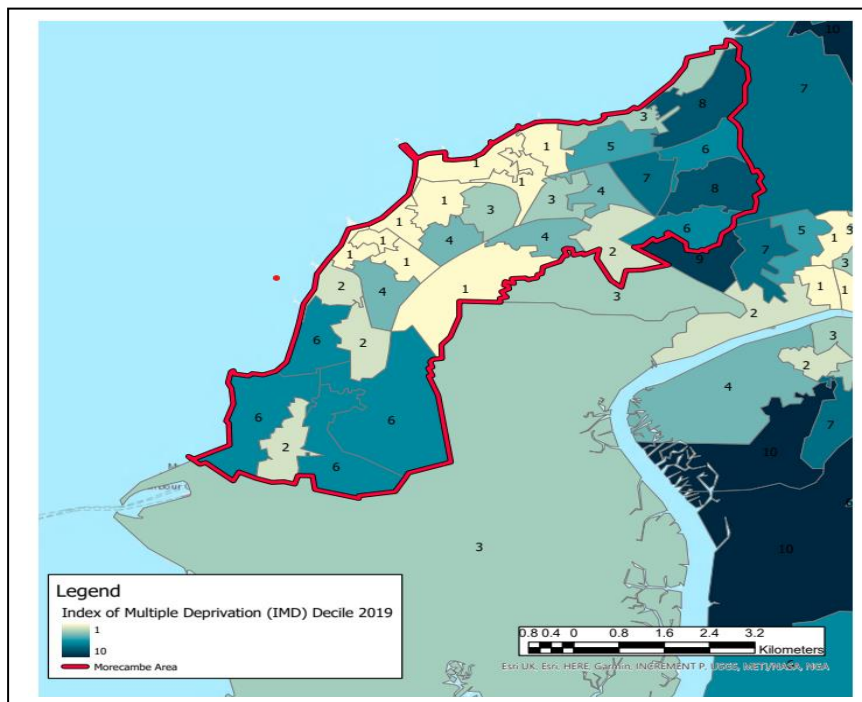
### 3.5 Deprivation

The Index of Multiple Deprivation (IMD) is a government study of deprived areas in English local council areas. The study covers seven aspects of deprivation:

- Income
- Employment
- Health deprivation and Disability
- Education Skills and Training
- Barriers to Housing and Services
- Crime
- Living Environment.

Source: Ministry of Housing, Communities and Local Government 2019

Rates of income deprivation, child poverty and older people living in deprivation are significantly worse than the England average. There is a split in the town with areas along the seafront and Morecambe's west end experiencing higher deprivation than the east. The Map shows the IMD across the Morecambe area. The IMD ranks every small area in England from 1 (most deprived area) to 32,844 (least deprived area).

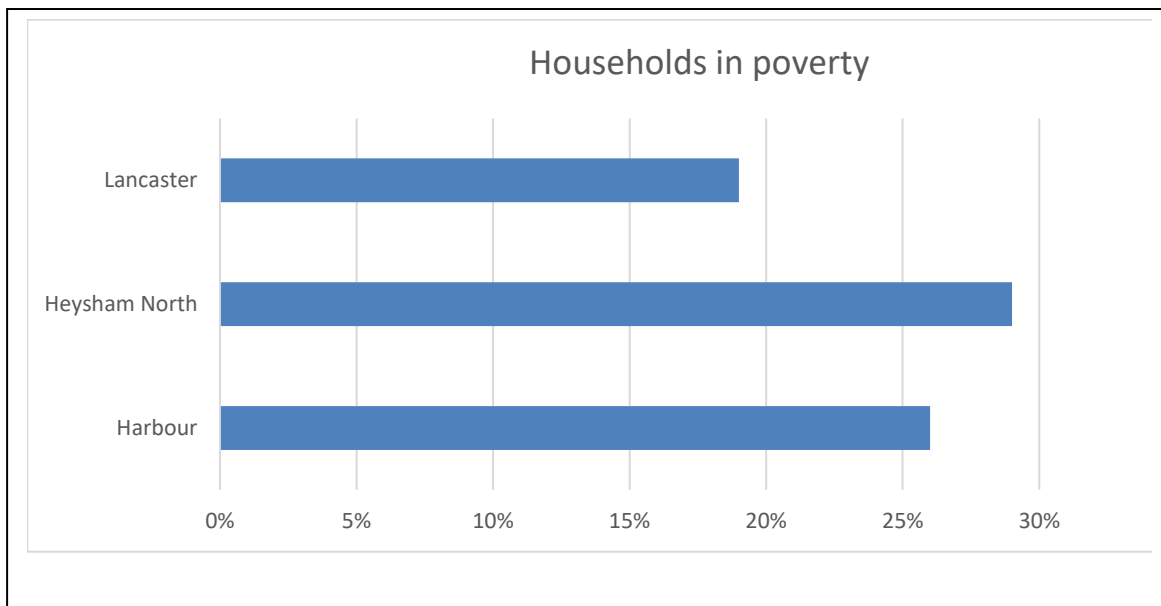


Source: Chief Medical Officer's Annual Report 2021

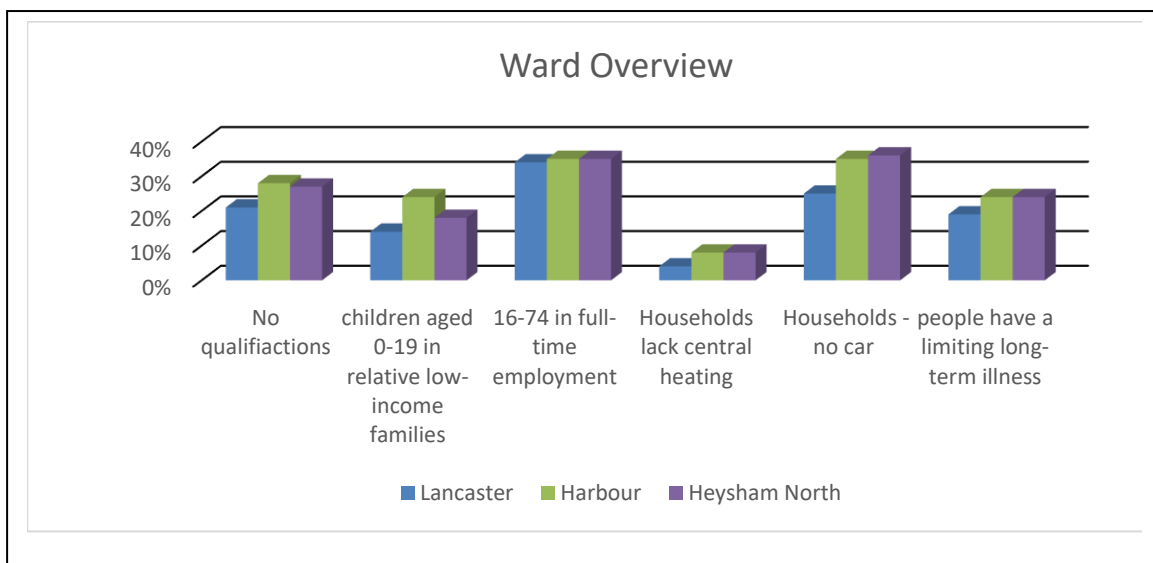
Map showing spread of Indices of Multiple Deprivation

Deprivation is a significant indicator of adverse health conditions. Morecambe experiences high levels of deprivation, driven by the economic and social challenges it faces, and fueled by the decline of the tourism industry and the ensuing problems with the local economy. Harbour and Heysham North wards include among the 10% most deprived neighbourhoods in the country and the rates of income deprivation, child poverty and older people living in deprivation are all significantly higher than the national average (Gov.uk, 2015). Life expectancy within the Lancaster district is lower than the England average, and Morecambe is significantly lower than the overall Lancaster district. Residents are likely to experience poorer health earlier in life.

Unemployment is high, one in 10 people in Morecambe claim unemployment benefits (9.5%), higher than in Lancaster (5.5%), and England (6.6%).(Whitty 2021).



Source: Census 2021



Source: Office for National Statistics (ONS) Mid-Year Estimates 2022

Like many seaside towns, Morecambe experiences an in-migration of young people driven by several factors, including the availability of cheap, private-rented housing (Whitty, 2021). After the decline of the tourism sector, former seaside resorts faced a surplus of temporary accommodation and a lack of overnight visitors. Many of Morecambe’s hotels and guest houses supplemented falling visitor numbers by converting to privately rented flats or houses in multiple occupation (HNOs) which helped combat issues regarding seasonality and decreased demand.

As discussed earlier, Harbour and Heysham North wards have a much higher proportion of private rented housing than the English average - 33% and 39% respectively compared to a national average of 16.8% (Office for National Statistics 2021), an estimated 23% of all private rental sector homes nationally did not meet the decent home

standard compared to 18% of owner occupied homes and 12% of social rented homes.

Of all housing types in the private rented sector, HMOs provide some of the poorest quality housing and house a disproportionate number of vulnerable residents. The relationship between housing, physical health and life expectancy is well documented and HMOs may pose a greater threat to the mental health of residents than other forms of housing because of greater insecurity, less control and poorer social networks. HMOs have also been linked to increased antisocial behaviour and a decline in owner occupation in the communities where they are situated. They can also have a negative impact on the local area from poor upkeep, unkempt gardens and waste disposal issues. Areas with high numbers of HMOs generally have a more transient population which can lead to less stable and cohesive communities.

The availability of HMOs in Harbour and Heysham wards has created a housing market for vulnerable population groups with limited access to affordable accommodation.

The greater concentrations of the most deprived LSOAs in Morecambe are grouped and are located towards the seafront in areas with a large proportion of terraced housing, many of which have been converted into self-contained flats.

### 3.6 Crime

The March 2015 extension of conditions for Selective Licensing states:

*‘the area “suffers from high levels of crime”; criminal activity affects persons occupying the properties; and the designation will contribute to a reduction in crime levels “for the benefit of those living in the area”*

High levels of crime in two wards would meet one of the required conditions for licensing. The government’s guidance doesn’t require a link to be made between high levels of PRS housing and crime, only that the area in question has a high level of crime.

The overall crime rate in Morecambe in 2022 was 109 crimes per 1000 people.

In order to make this determination, data was collected from MADE. Similar to ASB, a comparison was made of crime levels across the district and within the three wards.

#### 3.6.1 District level crime

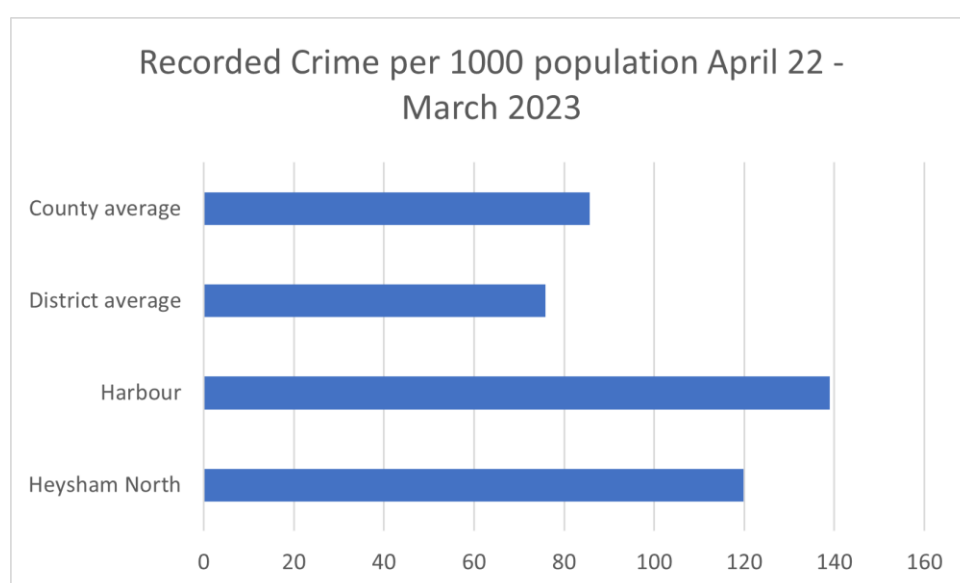
Below is a comparison of recorded crimes for each ward, over a 4 year period, then for the last 2 years. The table shows all recorded crimes, but makes no distinction between the category or severity of crimes committed.

Ward	2013	2014	2015	2016	2021	2022
Poulton	804	1049	1169	1111	1202	1012
Duke's/Castle	694	1072	1054	1064	1245	1192
Harbour	583	705	725	729	1162	1077
Bulk	505	752	675	647	946	834
Heysham North	483	539	636	629	627	575
Skerton East	370	595	540	627	646	696
Westgate	453	630	558	561	905	994
Skerton West	381	505	571	534	617	600

Of the 5 wards with the highest recorded crime in Lancaster, two are the wards considered for licensing. Reported crime has remained steady in Heysham North, but there has been an increase in Harbour. It is not possible to provide an explanation without more detailed statistics, but it does show a trend.

### 3.6.1 Ward-level Crime

The Lancashire County Council local area community safety statistics show that reported crime in Heysham North and Harbour wards is higher than the average for the district and the county.



## 4.0 Conclusion

This report has reviewed and updated the document 'The Case for Selective Licensing in Morecambe' prepared in 2017. The criteria for introducing discretionary licensing have once again been discussed and examined using more recent evidence.

The data continues to show a larger than average private rented sector and lower house prices in West End and Heysham North wards, indicating that demand for housing is not as strong as elsewhere in the district. Although less marked than in 2017 there is still a 19% price differential between the LA1 and LA3 postcodes. There remains a higher proportion of empty properties in Heysham North and West End wards, but the time they stay empty is reducing.

There is a significant relationship between the targeted area and the criteria to be considered before introducing discretionary licensing. Rates of reported anti-social behaviour and other crimes are higher where the private rented sector is concentrated, and both Heysham North and West End wards generate more complaints about poor property conditions than elsewhere in the district. All the indices of deprivation record higher than average levels of poverty and unemployment, and life expectancy in Heysham North and West End wards are lower than the national average and the rest of the district.

In his 2021 report, The Chief Medical Officer saw Houses in Multiple Occupation (HMO's) as a key challenge to the town. He observed that the lack of management of some HMOs can lead to increased problems with county lines, addiction and antisocial behaviour which can negatively affecting both the sense of community and reputation of the town.

Selective and additional licensing are not tools that can be used in isolation but must be part of an overall strategy. The Council's current Homes Strategy shows a clear ambition for the town. In the Chief Medical Officer's report and during his visit to Morecambe in 2020, he acknowledged the future opportunities as well as the challenges for the residents of Morecambe. He cited the benefits of culture and tourism and in particular discussed how Eden Project North aims to create significant opportunities to impact positively on the town. He also recognised that Morecambe has a strong sense of community, creativity and resilience, shows strong partnership working and sees a number of local groups and organisations working with residents. Over the last few years many people across the town have participated in community conversations, and a key theme of these has been to ensure there is good quality, affordable housing available for the residents of Morecambe.

## **5.0 The proposal.**

Working within this strategic framework, the proposal is to introduced a discretionary licensing scheme in parts of the West End and Heysham North wards.

Much of the data discussed in this report also points towards Poulton ward as experiencing similar problems, but in order to keep the initial scheme manageable, the proposal is to start with a single smaller area, and review its success before extending licensing any further.

The proposed scheme will have two parts:

Additional Licensing will require all landlords of all HMO's within the designated area, to make an application to the local authority for a licence. HMOs are defined as properties occupied by 3 or more people who are not related, and include what are known under the Housing Act 2004 as Section 257 HMOs – that is blocks of self-contained flats not converted in accordance with the appropriate building standards.

Selective Licensing will require all landlords of privately rented accommodation within the designated area to make an application to the local authority for a licence.

Licences will last for a five year period, and will include a fit and proper person test as well as licence conditions. There will be a charge for the licence.

All members of the public are invited to comment on the proposal as part of this 10 week consultation.

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