LANCASTER CITY COUNCIL

Promoting City, Coast & Countryside

BACKGROUND PAPERS

Cabinet

Tuesday, 20 March 2018

Agenda Item Number	Page	Title
8	1 - 28	BACKGROUND PAPERS RELATING TO THE REVIEW OF THE CONSULTATION ON THE IMPLEMENTATION OF ADDITIONAL AND SELECTIVE LICENSING IN A DEFINED AREA OF THE WEST END OF MORECAMBE

SELECTIVE AND ADDITIONAL LICENSING IN MORECAMBE: FEASIBILITY STUDY

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LANCASTER CITY COUNCIL

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1. Introduction
1.1. Feasibility study

In order to improve the health and wellbeing of the district's citizens, Lancaster City Council (LCC), through its Corporate Plan requires a study into the feasibility of applying Licensing to the Private Rented Sector (PRS). In 2014, LCC applied to the Department for Communities and Local Government (DCLG) for a Transformation Challenge Award grant. Within the bid, LCC stated that one of their service models would be the improvement of housing standards in the PRS through targeted enforcement and the introduction of licensing. This report will focus on three wards in Morecambe – Harbour, Heysham North and Poulton – chosen for their potential suitability for selective and additional licensing. The report will identify if any of the three wards meet the conditions for selective and additional licensing. If they do, it will also consider whether it would be appropriate to apply licensing to the whole of a ward or to parts of each ward.

1.2. 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 (LAs) have been given the power to introduce extra mandatory licensing of the PRS, in the form of selective licensing and/or additional licensing for HMOs, in order to tackle problems such as low housing demand or significant anti-social behaviour (ASB). The specific criteria 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 of for members of the public.

Selective licensing allows Local Authorities to licence all private landlords 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 an LA 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.*[1]

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[1] http://www.legislation.gov.uk/ukpga/2004/34/part/3/crossheading/designation-of-selective-licensing-areas/enacted

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

> *(a) that the area is experiencing a significant and persistent problem caused by anti-social behaviour;*
>
> *(b) 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*
>
> *(c) 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). [2]*

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 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;*

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". [3]*

This paper will consider evidence in support of these general conditions. As some of these conditions could be applied to a number of localities in a district, it is important to identify that there is a significant proportion of PRS housing in an area. Without making this distinction it is likely that the implementation would be inappropriate and the impact would be limited.

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[2] http://www.legislation.gov.uk/ukpga/2004/34/part/3/crossheading/designation-of-selective-licensing-areas/enacted

[3] http://www.legislation.gov.uk/uksi/2015/977/pdfs/uksi_20150977_en.pdf

2. Areas considered for Selective and Additional Licensing Feasibility

The following section will consider the composition of the area considered for licensing. Statistics regarding the geography, population and housing will be used in order 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 been collated from the 2011 Census data[4]. In addition, housing benefit data has been provided by the Revenue Support Team at Preston City Council.

2.1. Geography

Our analysis is focussed on three wards - Harbour, Heysham North and Poulton. Geographically, the three wards lie side by side, with Heysham North to the south, Harbour central, and Poulton to the north. A significant part of the border between Harbour and Poulton is made up of the derelict Frontierland site, resulting in a largely unoccupied zone between the two wards.

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[4] http://www.ukcensusdata.com/lancaster-e07000121#sthash.kjxKdIHz.dpbs

A large part of Poulton ward is made up of Morecambe's shopping district. Within this area can be found the Arndale Centre and three large supermarkets. Additionally, there are many cafes, restaurants and pubs and clubs. Conversely, Heysham North and Harbour are largely residential. However, there are a number of smaller shops, occupying the ground floor of buildings along the main roads, especially along Regent Road.

2.2. Population

The 2011 census, provides the following data for population in the three wards:

Ward	population	% of district population
Harbour	6399	4.60%
Heysham North	5274	3.80%
Poulton	7623	5.50%

The total population of the three Wards considered is 14% of the population of Lancaster District.

2.3. Population Density

area	hectares	people per hectare
district	57585.64	2.4
Harbour	108	59.1
Heysham N	79	67.1
Poulton	144	53

The three wards make up less than 1% of the districts area, yet contain 14% of its population. All three 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 the densest:
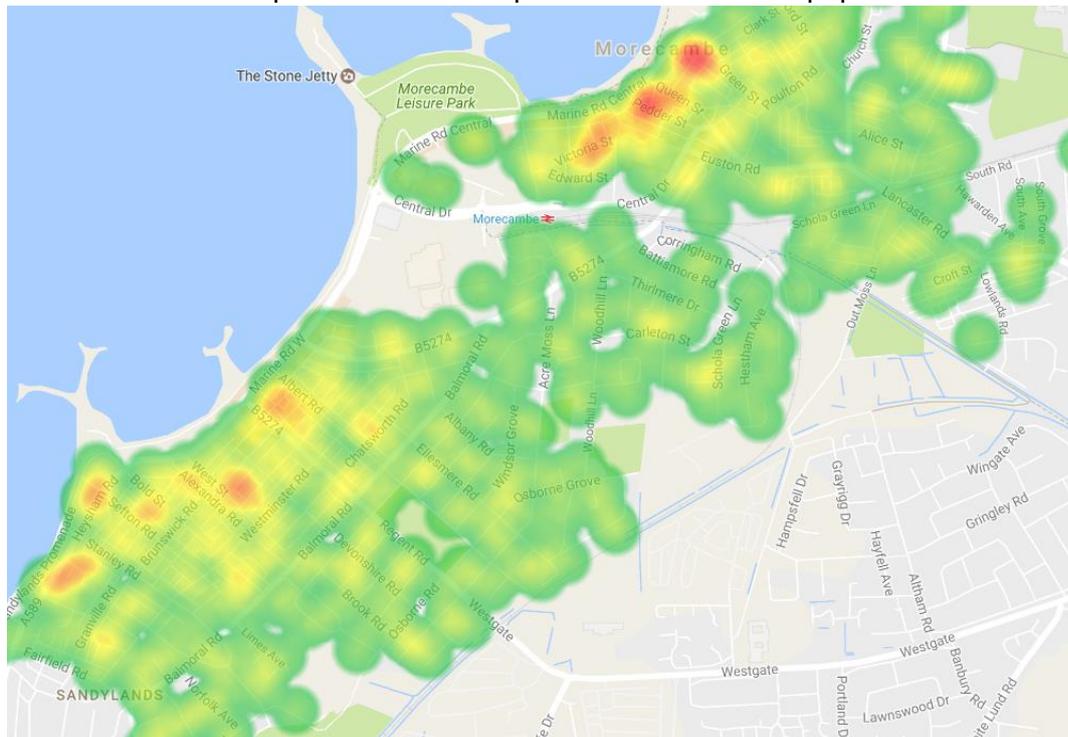
The heat map demonstrates that the densest population for the three wards is based in two main areas – on the border between Harbour and Heysham North and in the centre of Poulton.

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 2011 census, provides the following data for the number of households in the three wards:

Ward	No. households	% of district households
Harbour	2843	5%
Heysham North	2334	4%
Poulton	3401	6%

Of the 57822 households counted in the 2011 census for the Lancaster District, 15% were listed in the area considered for licensing.

All three wards have a mixture of accommodation type:

Accommodation type	Poulton		Harbour		Heysham N		
	no.	%	no.	%	no.	%	average
Whole house or bungalow:							
detached	138	6%	95	5%	106	7%	5.90%
semi-detached	926	41%	1286	67%	764	48%	52.00%
terraced	1191	53%	531	28%	731	46%	42.10%
total	**2255**	**66%**	**1912**	**67%**	**1601**	**69%**	**67.40%**
Flat, maisonette or							
block of flats	648	60%	509	57%	392	57%	57.70%
converted house	333	31%	327	37%	277	40%	35.70%
commercial	108	10%	59	7%	22	3%	6.60%
total	**1089**	**32%**	**895**	**31%**	**691**	**30%**	**31.00%**

On average 67% of accommodation is listed as 'Whole house or bungalow, with 31% listed as 'flat, maisonette or apartment. All three 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.

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 and 2011* censuses provides the following data:

	% owner occupier			% private rent			% social rent		
	2001	2011	+/-	2001	2011	+/-	2001	2011	+/-
Harbour	56%	56%	0	26%	29%	3%	17%	11%	-6%
Heysham N	62%	58%	-4%	33%	38%	5%	5%	3%	-2%
Poulton	56%	53%	-3%	28%	35%	7%	15%	9.40%	-5.6%

*For 2011, the remainder of tenure stats, typically totalling 2-3%, was made up of 'other' types of tenure, such as living rent-free'.

In ten 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 they are 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 below shows where the greatest concentrations of tenure listed as privately rented can be found:
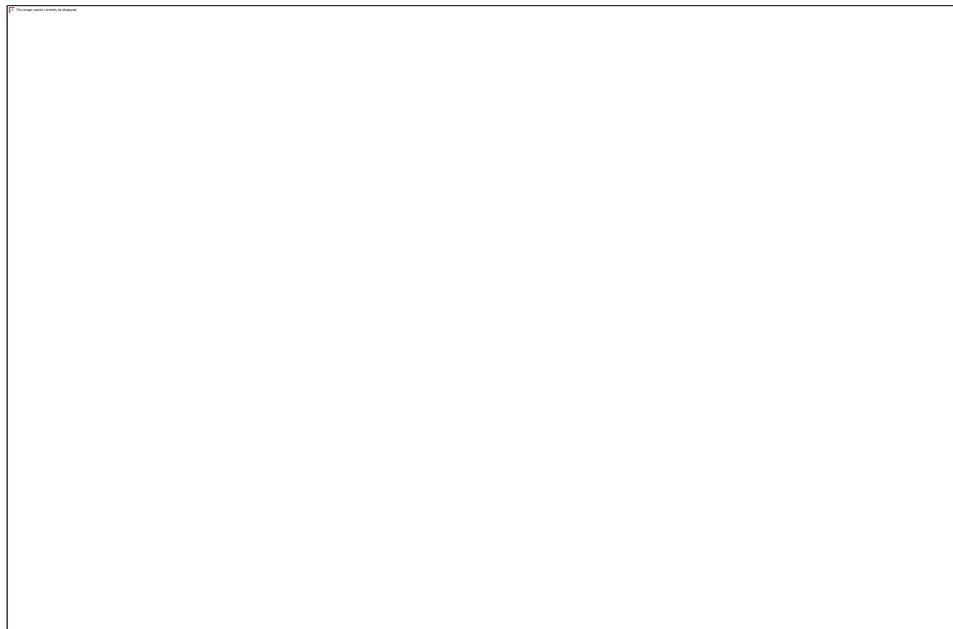
The heaviest concentration of PRS housing can be found in two areas – the centre of Poulton ward and in the West End, covering Harbour ward and the border of Heysham North.

2.7. Housing Benefit

As of January 1st 2017, there are 6353 claimants of housing benefit for private rented properties in the district.

Housing Benefit

Poulton
9%

Heysham N
9%

Harbour
7%

Rest of district
75%

■ Rest of district ■ Harbour ■ Heysham N ■ Poulton
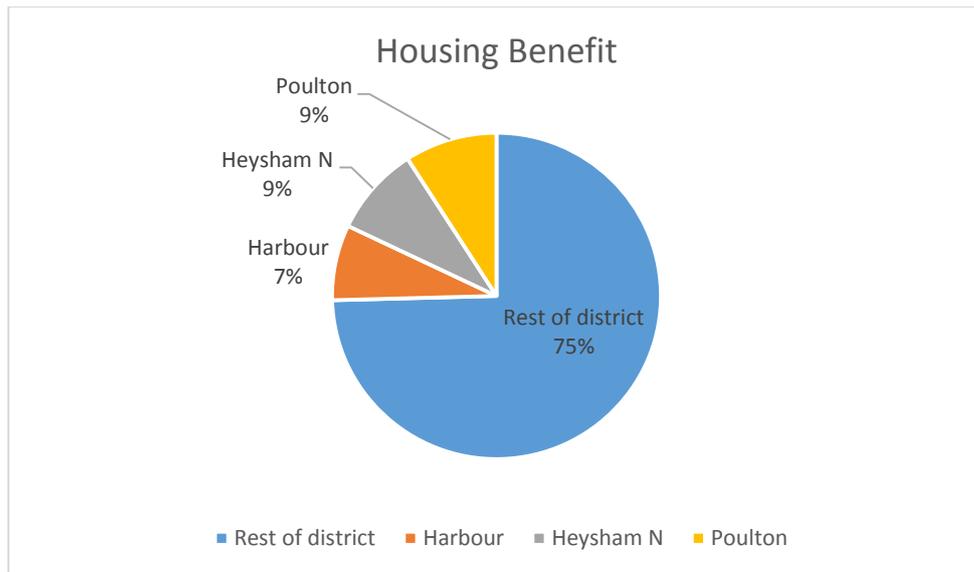
A high proportion of the districts PRS housing benefit claimants live within the three wards - 25% of PRS housing benefit claimants, compared to 14% of the districts population. A designation of licensing, made in this area is likely to contain a high proportion of PRS accommodation.

2.8. Summary

The three wards considered represent a relatively high proportion of the districts:

- Population
- Private rented sector housing
- Housing Benefit claimants

The decision to designate an area of Morecambe for licensing, whether it is the whole of a ward, or part of it, will have to take into consideration the information in this section, as context for the decision. A decision based on high instances of anti-social behaviour or crime, such as burglary, can only be made when considering the location in which the activity occurs. The licensing of private landlords, can only have an impact on areas with high concentrations of PRS housing. The data in this section clearly identifies that a substantial portion of the area considered is made of PRS housing.

3. 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 should 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 Zoopla[5], we have made a comparison between the two largest population centres in the district – Lancaster and Morecambe, and specifically between the LA1, LA3 and LA4 postcodes. House prices in general are higher in Lancaster compared to Morecambe. The graph below shows a comparison of average house prices in LA1 (Lancaster), LA3 and LA4 (Morecambe and Heysham) over the last five years (to January 2017). The values for LA3 and LA4 include the whole of the area, not just the three wards considered for licensing.

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[5] http://www.zoopla.co.uk/house-prices/
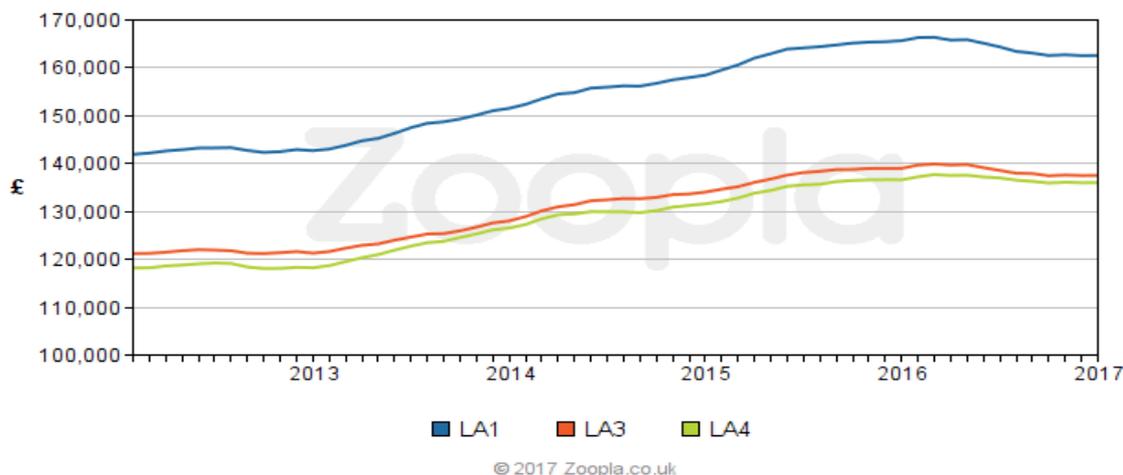
House prices for all three postcode areas have increased at a similar rate, approximately 13%-15%. The average house price for Lancaster in 2017 is about £163,000; the average for Morecambe and Heysham is £136,000-£138,000. On average, LA1 house prices are 18% higher.

The average value can be broken down by property type:
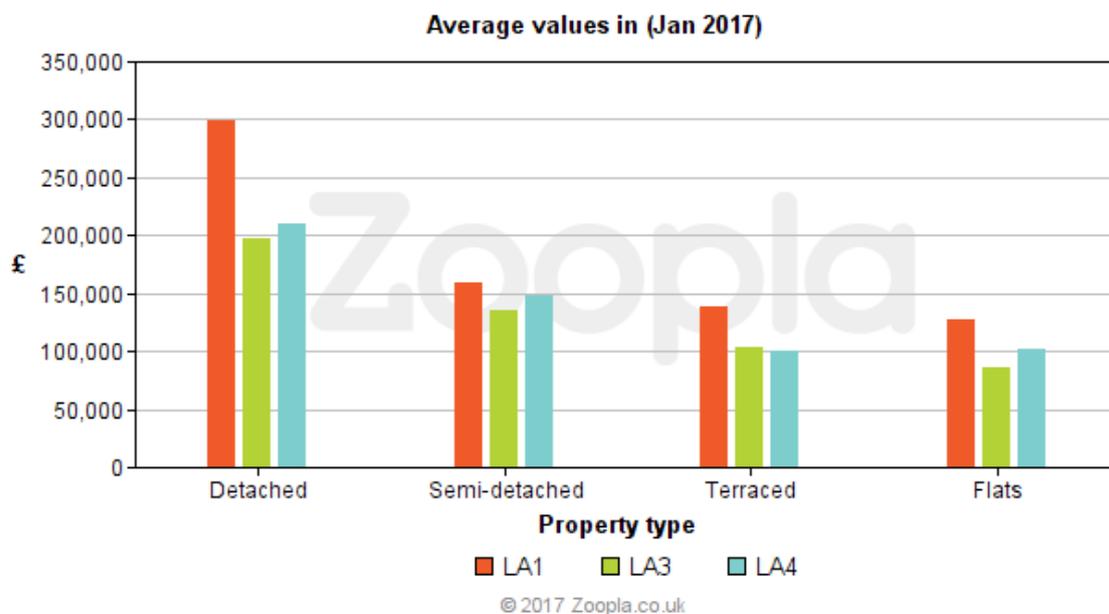
In each case, property in LA1 has a higher value. There is a very large difference in average value for detached houses in LA1. This could be attributed to the greater number of affluent areas within the LA1 postcode. There is less of a difference for the other property types, though still significant – a terraced house in the LA1 postcode is nearly 50% more valuable than one in the LA4 postcode.

A like-for-like comparison of house prices across the district, gives a better illustration of the disparity in house prices between Lancaster and Morecambe. We looked at the average house prices for a selection of property-types that are typical in the three wards:

- Detached
- Semi-detached
- Terrace
- Flat

We compared these prices to a selection of similar sized properties from postcodes within the LA1 postcode:

Area	Detached		Semi-detached		Terrace		Flat	
Lancaster	LA1	£258,975	LA1	£175,086	LA1	£161,428	LA1	£77,000
Harbour	LA4	£128,000	LA4	£121,500	LA4	£90,000	LA4	£42,000
Heysham N	LA3	£210,000	LA3	£99,000	LA3	£85,000	LA3	£51,000
Poulton	LA4	£160,000	LA4	£140,000	LA4	£71,250	LA4	£36,000
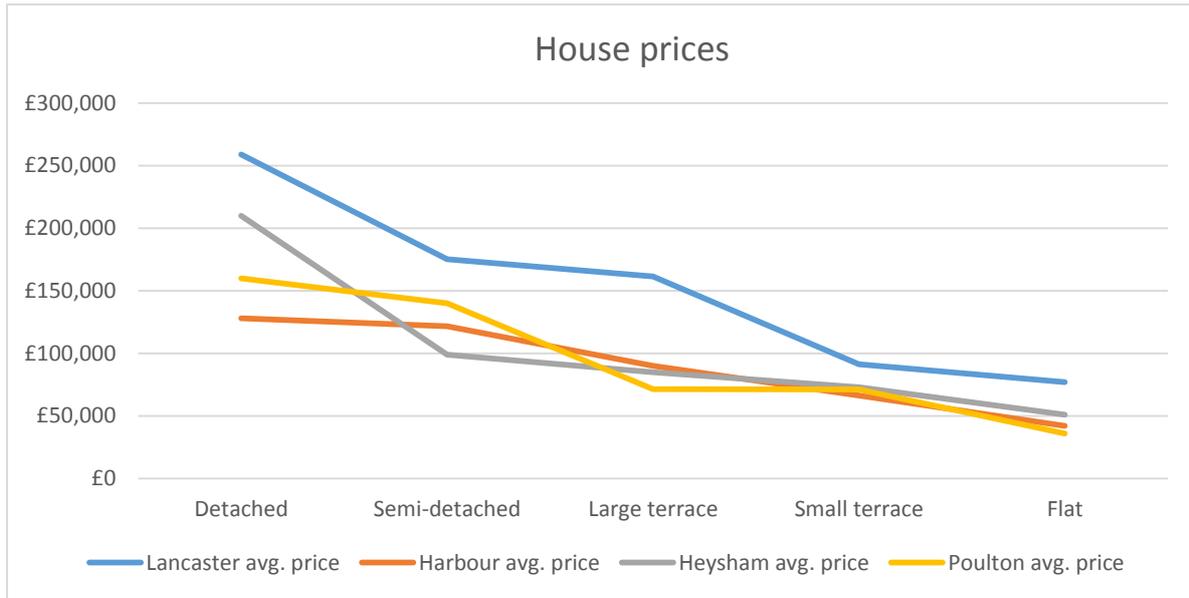
House prices in Lancaster are consistently higher than in the three wards considered. The largest contrast that can be made is in the value of terraced properties, with the average price of properties in LA1 3AP being nearly twice the value of those in the three wards. This is an important contrast when consideration is made for the locality of large terraced housing in Morecambe. In all three wards, where there is a large amount of terraced housing, there are greater concentrations of population, which in turn has led to greater concentrations of ASB.

3.1.2. Empty Homes
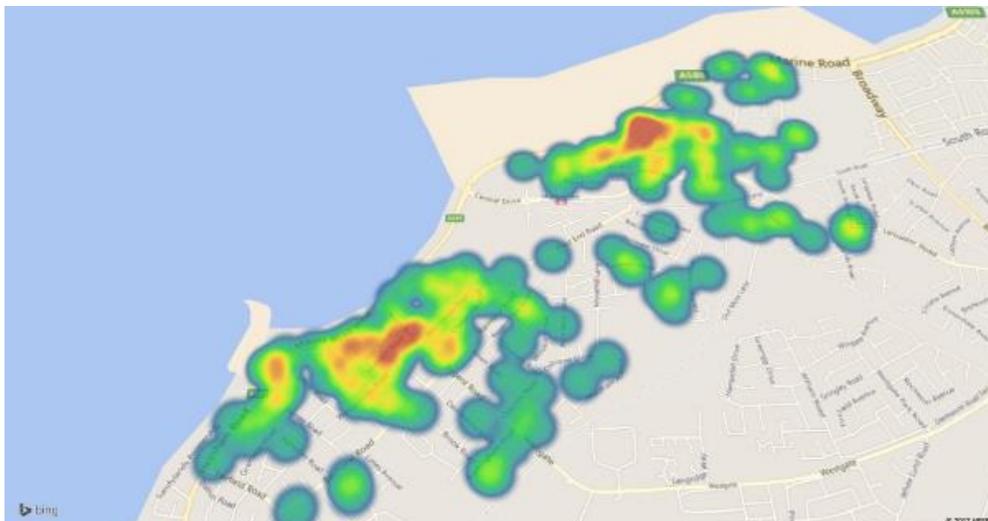
Long term empty properties have a negative impact on a neighbourhood. If an empty property falls into a state of disrepair, problems such as damp and rot can spread to adjacent houses. Apart from the physical impact that this will have on properties in immediate vicinity, it will also affect the value 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 984 empty properties. In the three wards considered, there are 276 empty properties:

Ward	total empties	% for the district	average length of time empty (days)
Harbour	111	11.30%	1675.8
Heysham	53	5.40%	858.1
Poulton	112	11.40%	1074.5

The three wards have 15% of the housing for the district, however, they have 28% of all empty properties. The average length of time that properties are long-term empty in the district is 913 days. However, if the three wards are separated, the average length of time a property is empty is 773 days. The average length of time a property is long-term empty in Harbour ward is more than double that of properties elsewhere in the district. With 11% of all empties, and an average of 1676 days per empty property, there is a significant risk of a negative impact on housing demand and on the community.

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 three 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.'[6]

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.

Another example which further illustrates the problem of linking ASB to PRS housing is where PRS housing is in proximity to pubs and clubs, where late night drinking will occur. There is likely to be a higher level of ASB, however it could be argued that responsibility lies with the owners of the licensed premises. It is very difficult to make a direct link between ASB and PRS housing. However, it is possible to make a comparison of the levels of ASB

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[6] http://www.legislation.gov.uk/ukpga/2014/12/notes/division/3

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)[7] and 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

To explore a link between ASB and private rented property, we compared ASB data with census data for tenure. Initially, we viewed this on a ward by ward level, comparing all the wards in the district. Using MADE, we were able to compile the total number of ASB incidents in the calendar year 01/01/2016 - 31/12/16. This data was then cross-referenced against 2011 census data regarding tenure. The following table considers the data for Wards with more than 100 recorded ASB incidents:

Ward	Total ASB incidents	% private rent	% Social rent	%Owner Occupier
Poulton	864	35%	9%	53%
Duke's	635	49%	10%	39%
Heysham North	610	38%	3%	58%
Harbour	592	29%	11%	56%
Skerton East	409	16%	18%	63%
Skerton West	405	6%	35%	57%
Castle	362	24%	14%	60%
Westgate	360	14%	19%	66%
Bulk	357	25%	21%	52%
Heysham South	315	13%	8%	77%
Carnforth	282	13%	9%	76%
Torrisholme	272	9%	1%	88%
Heysham Central	184	20%	9%	70%
Ellel, University	141	18%	3%	76%
John O'Gaunt	137	30%	3%	66%
Bare	137	19%	1%	78%
Scotforth East	136	9%	16%	73%
Scotforth West	124	22%	7%	69%

Poulton and Duke's Wards had the highest totals for ASB incidents in 2016. 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.

[7] https://lccsecure.lancashire.gov.uk/saferlancashire/made/apps/index.asp

Other than Duke's ward, the highest numbers of ASB incidents happened in the three wards under consideration for Licensing. However, a high number of ASB incidents is not justification for introducing licensing without there being some correlation with PRS housing.
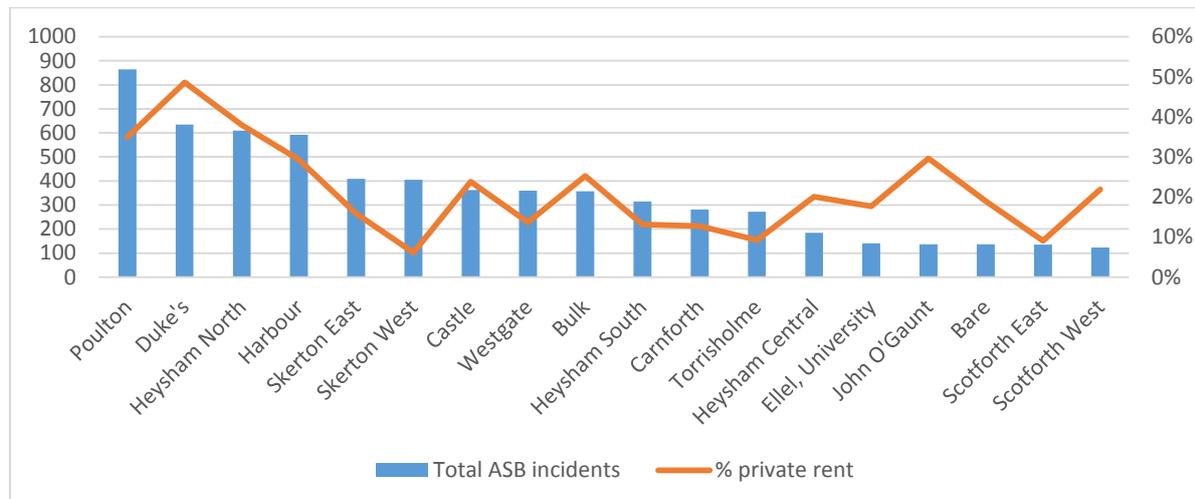
The graph demonstrates a relationship between ASB and PRS housing – where there is a high percentage of PRS housing, there are greater incidences of ASB. However, the trend isn't consistent throughout. There are exceptions that can be seen in the graph. For instance Skerton West ward had a relatively high number of incidents, but very low percentage of PRS housing. This can largely be explained by the fact that the area contains the Ryelands, Scale Hall and Vale estates - the highest percentage (38%) of social housing in the district. Elsewhere, there are instances where there is a high percentage of PRS but low ASB. This can be seen most obviously in the John O'Gaunt ward. This is an area with a large percentage of student lets. The relatively low amount of ASB could be explained by the rigorous and strict standards of Lancaster University.

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 three wards are made up of 13 LSOAs – 5 in Poulton, 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.

Ward	LSOA Code	population	All ASB	ASB per 1000 population	% private rent
Poulton	E01025139	1636	487	297.68	58%
Heysham	E01025117	1406	294	209.10	58%
Harbour	E01025110	1714	286	166.86	52%
Heysham	E01025120	1405	157	111.74	39%
Poulton	E01025140	1495	103	68.90	32%
Poulton	E01025136	1565	146	93.29	26%
Heysham	E01025118	1115	70	62.78	23%
Harbour	E01025112	1906	197	103.36	23%
Poulton	E01025138	1463	92	62.88	22%
Heysham	E01025119	1348	89	66.02	19%
Harbour	E01025111	1807	54	29.88	13%
Harbour	E01025113	1224	55	44.93	12%

Poulton	E01025137	1192	36	30.20	11%

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:

3.2.3. Levels of Anti-Social Behaviour over 5 years

We studied data for ASB levels in the three wards, over the last 5 years. The graph below shows the average number of incidents for each type of ASB, over a 5-year period.
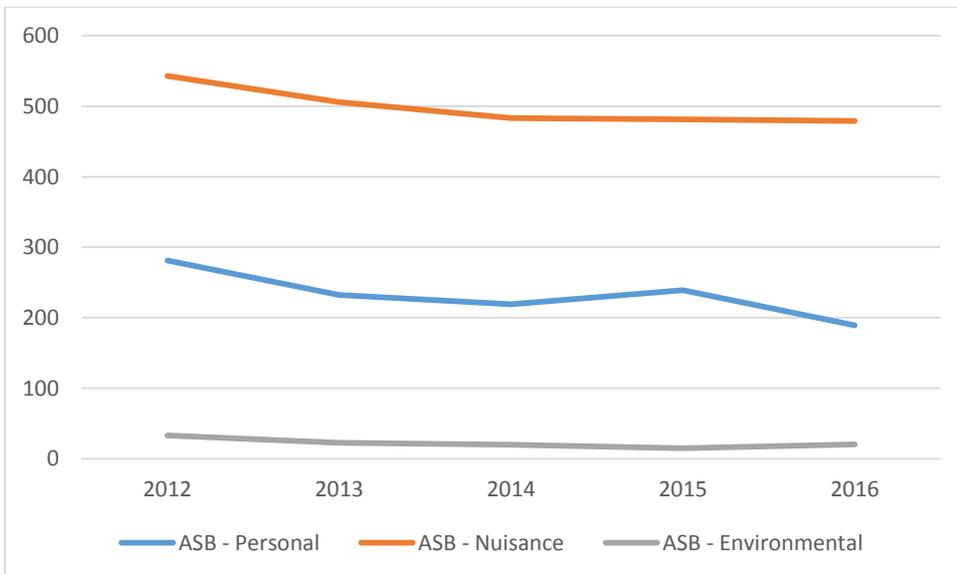
In each case, there has been a steady decrease in reported ASB. ASB Personal reduced the most from around 280 incidents a year to approximately 180. ASB Nuisance also dropped, from around 540 to 480 incidents. Despite the progress achieved in tackling ASB, this should be viewed in context with the other wards in the district. Skerton East was the ward with

highest levels of ASB (not counting Duke's) outside the three wards considered. The following graphs illustrate how Skerton East compares to the three wards:
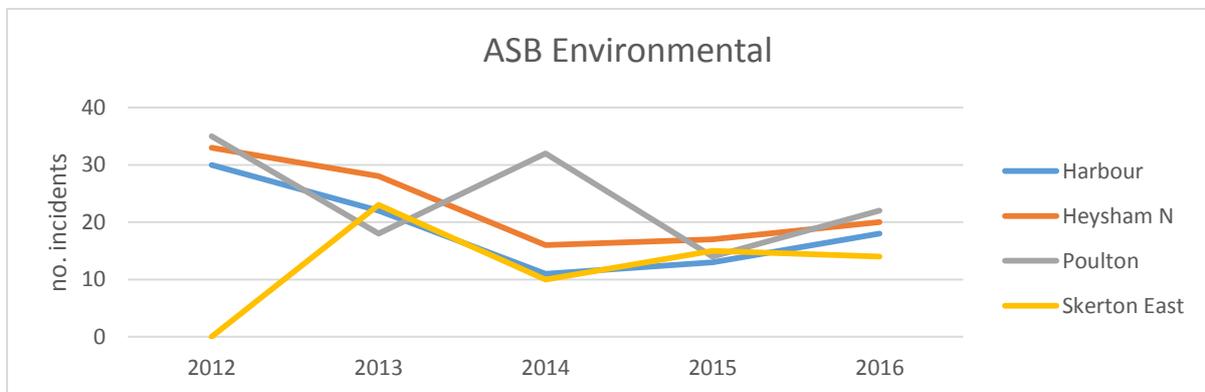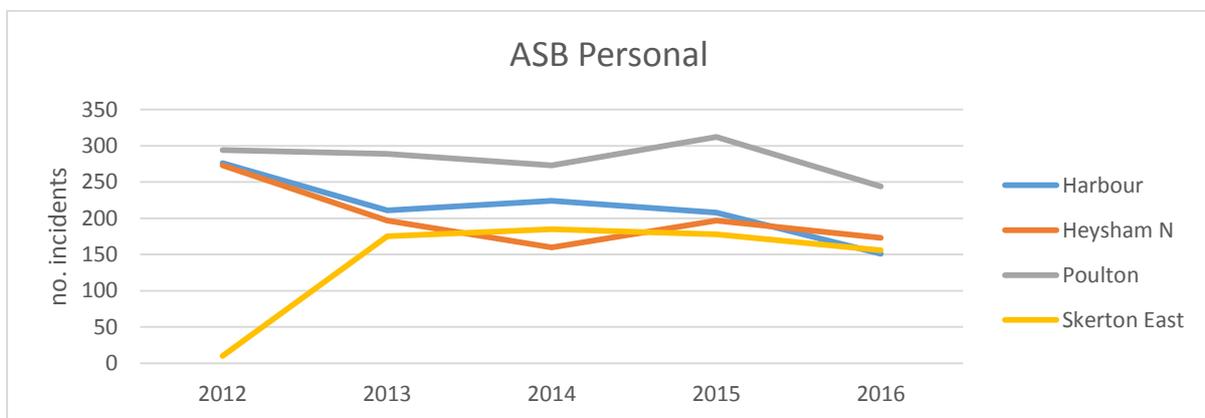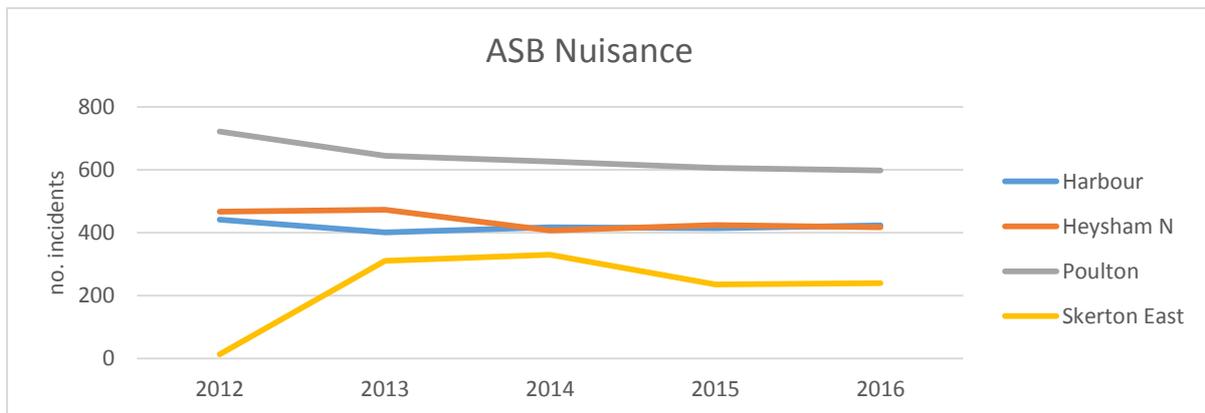
Levels of Environmental and Personal ASB are comparable between Skerton East and the three wards. However, the graph for ASB nuisance illustrates that there is a very large gap between Skerton East and the three wards. In fact, nearly half as many Nuisance ASB incidents were reported for Skerton East, which demonstrates, that despite progress made in reducing ASB, levels in the three wards are much higher than elsewhere in the district.

3.2.4. Nuisance Anti-Social Behaviour

Having established that the three wards (with the exception of Duke's ward) had the highest numbers of recorded ASB incidents, we looked at the type of ASB incidents that were recorded. The following table shows a breakdown of the types of ASB incident recorded across the three wards.

Ward	All ASB	ASB - Environmental	ASB - Personal	ASB - Nuisance
Harbour	592	18	151	423
Heysham North	610	20	173	417
Poulton	864	22	244	598

On average, 70% of all ASB incidents recorded for 2016 were ASB – Nuisance. Nuisance ASB is defined by the Metropolitan Police as 'causing trouble, annoyance or suffering to the community at large rather than an individual or group.' Therefore, the majority of ASB incidents that occurred in 2016 had an impact on the community as a whole, rather than being targeted at an individual. Examples of this type of ASB include:

- Rowdy or Inconsiderate Behaviour
- Rowdy/Nuisance Neighbours
- Street Drinking
- rubbish in front gardens

Whereas, ASB targeted at an individual can have a serious impact on that person, nuisance ASB can have a similar impact on the community as a whole. It can have an impact on the quality of life and the wellbeing of members of the community.

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 usually 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 because the landlord is absent or a rogue landlord.

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 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.

Using data from Lancaster City Council's Civica database we compiled data for Category 1 hazards that have been resolved in the district over the last 5 years. The data covers incidents reported for privately rented and housing association properties. The following chart shows only the wards where there have been 10 or more category 1 hazards resolved in the last 5 years. Entries regarding commercial properties have been omitted from the list:

ward	2012	2013	2014	2015	2016	total
Heysham North	24	28	18	17	24	111
Poulton	24	17	11	23	30	105
Harbour	23	16	8	27	25	99
John O'Gaunt	15	11	1	10	7	44
Castle	11	9	2	2	3	27
Skerton East	5	2	7	7	6	27
Bulk	4	5	2	6	3	20
Heysham South	8	3	3	0	3	17
Heysham Central	5	4	2	2	3	16
Bare	2	5	0	4	4	15
Dukes	3	2	0	3	5	13
Scotforth West	4	2	1	5	1	13
Westgate	2	2	3	4	0	11
Skerton West	3	3	0	2	2	10
Scotforth East	3	1	1	2	3	10

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 56% of all category 1 hazards recorded in the last 5 years.
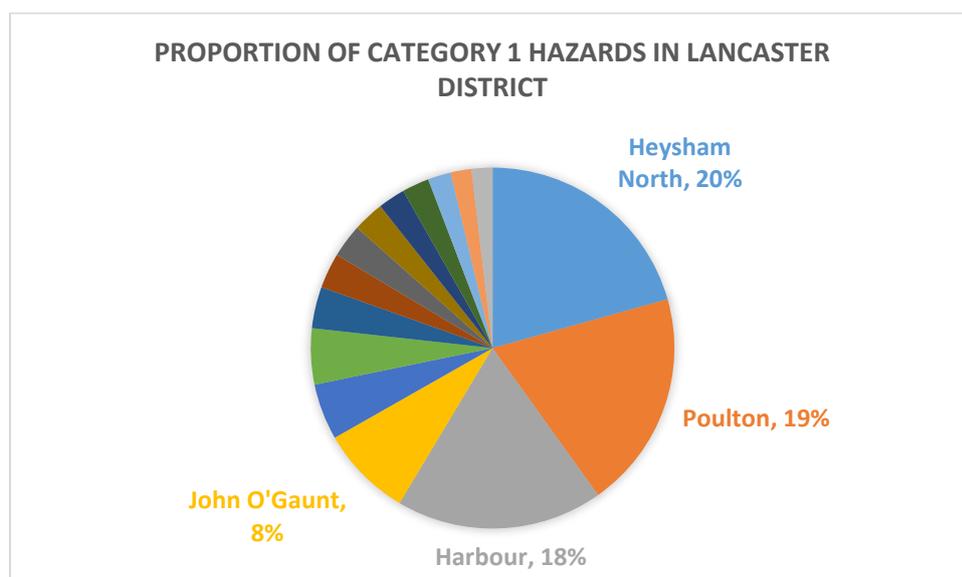
The ward with the fourth highest total, John O'Gaunt, had less than half the number of hazards as Harbour. All four wards have high percentages of PRS housing, however, it is noticeable how much less the occurrence of Category 1 hazards is in John O' Gaunt. Again, this will largely be due to landlords in this area being associated with the university.

3.3.2. Category 2 Hazards

Again, data from Lancaster City Council's Civica database was used to compile data for Category 2 hazards that have been resolved in the district over the last 5 years. The following chart shows only the wards where there have been 20 or more category 1 hazards resolved in the period. Entries regarding commercial properties have been omitted from the list:

ward	2012	2013	2014	2015	2016	total
John O'Gaunt	42	36	6	39	11	134
Harbour	20	15	11	26	42	114
Poulton	21	14	7	31	29	102
Heysham North	23	13	14	14	38	102
Bulk	31	22	5	7	7	72
Castle	27	19	1	4	8	59
Dukes	27	10	0	4	5	46
Scotforth West	14	10	2	7	4	37
Skerton East	7	4	4	12	8	35
Skerton West	3	5	6	3	5	22
Heysham Central	5	3	3	5	5	21

Out of the four wards with the highest number of resolved category 2 hazards, three are the wards considered for licensing.

3.3.3. Tenant Complaints

Number of complaints by year					
	2011/12	2012/13	2013/14	2014/15	2015/16
District	**587**	**599**	**515**	**498**	**464**
Harbour	87	103	80	71	80
Heysham N	91	82	90	79	77
Poulton	68	95	91	94	79
% complaints in 3	42%	47%	51%	49%	51%

The number of complaints across the district has steadily fallen. This reflects both a pro-active approach by landlords and effective Housing Enforcement. However, despite the decrease in the number of complaints overall, where the majority of complaints arise has remained consistent. Around 50% of all complaints have come from the three wards.

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 form abroad.

The Migration Observatory[8] provides some useful overview data for non-UK migration from the Labour Force Survey:

Accommodation of UK–born and foreign–born individuals

Chart provided by www.migrationobservatory.ox.ac.uk

Source: ONS Labour Force Survey, 2016, Q1
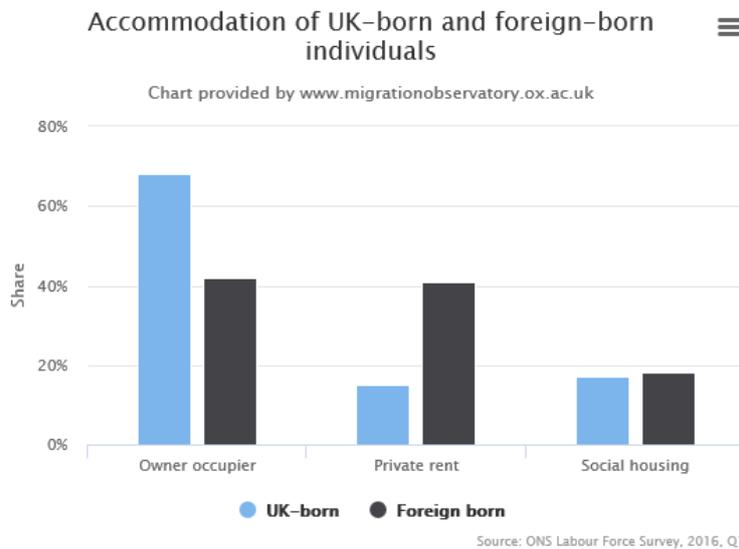
The survey shows that non-UK born individuals were about 25% less likely to be owner occupiers, and approximately 42% lived in private rented accommodation, compared to less than 20% of UK born individuals.

The survey goes on to show the likelihood of recent migrants renting compared to buying properties:

Accommodation of foreign–born by time in the UK

Chart provided by www.migrationobservatory.ox.ac.uk

Source: ONS Labour Force Survey, 2016, Q1

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[8] The Migration Observatory - http://www.migrationobservatory.ox.ac.uk/resources/briefings/migrants-and-housing-in-the-uk-experiences-and-impacts/
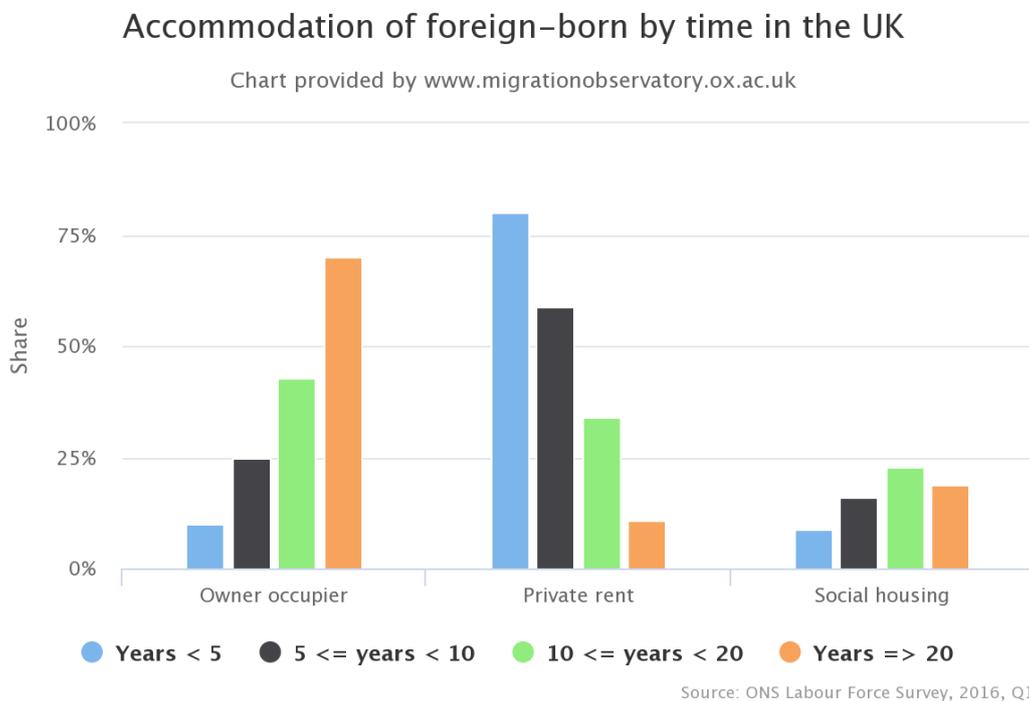
Migrants who have been in the UK for less than 5 years are overwhelmingly likely to live in private rented accommodation. This could be due to the reason for and length of the individual's stay in the UK.

3.4.1. County and District-level Data

Lancashire County Council provides some data through their Lancashire Insight[9] webpage on the numbers of short-term migrants living in the county. The 2011 Census showed that 3600 non-UK short-term residents lived in Lancashire, with the majority living in Preston (1700) and Lancaster (1000).

For the years 2014-2015, Lancaster district recorded a 'net internal migration' of -802 and a 'net international migration' of 1667. Internal migration reflects movement between local authority areas, therefore showing more people moved out of Lancaster than arrived. By contrast, international migration, people from abroad, who have lived in Lancaster for at least a year, increased. Lancaster's international net migration is the largest in the county, and will largely be due to the prominence of Lancaster University.

3.4.2. Ward-level Migration Data

The 2011 Census provides some insight into non-UK migration into the three wards. As an overview, data for ethnicity can be seen in the following table:

| 2011 Ward	White - All groups	White: British	White: Irish	White: Gypsy or Irish Traveller	White: Other White	Total BME
University	79.52	67.9	0.3	0.1	11.2	20.48
Duke's	87.73	78.1	1	0.3	8.3	12.27
Ellel	88.88	83.9	0.3	0.1	4.6	11.12
Scotforth West	89.39	85	0.8	0.3	3.3	10.61
John O'Gaunt	92.74	86.9	0.9	0.1	4.8	7.26
Castle	92.79	87.9	0.8	0.2	3.8	7.21
Bulk	94.62	88.6	0.9	0.2	4.9	5.38
Heysham North	96.76	89.3	0.6	0.1	6.8	3.24
Harbour	97.09	90.7	0.6	0.2	5.6	2.91
Poulton	96.51	91.4	0.6	0.1	4.4	3.49

Of the 10 wards with the greatest ethnic variation, the three wards have the highest proportion of white ethnicity, and white British ethnicity, with a low percentage of people from Black or Minority Ethnic (BME) background. The other wards listed will have high percentages of foreign university students, academics and medical professionals attracted to work and study in Lancaster. For the category of 'Other White', Heysham North and Harbour have a relatively high percentage, ranking 3rd and 4th respectively, compared to the other wards.

The 2011 Census also provides data on arrival in the UK, by time period. Most migration to the UK comes from the EU and can be defined in periods of activity - Pre-2004, 2004 – 2006 with the accession of Eastern European countries, and 2007 onwards with the additions of Bulgaria, Romania and more recently, Croatia. The following table and chart show the ten wards with the most arrivals of non-UK born residents for periods roughly matching those

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[9] Lancashire Insight - http://www.lancashire.gov.uk/lancashire-insight.aspx

stated above. The level of migration for the three wards can be compared to the figures for elsewhere in the district:

Ward	total born outside the UK	Before 2001	Arrived 2001-2003	Arrived 2004-2006	Arrived 2007-2009	Arrived 2010-2011
Ellel, University	1994	10%	4%	5%	28%	53%
John O'Gaunt	760	31%	6%	19%	30%	15%
Bulk	690	34%	9%	20%	24%	13%
Castle	674	47%	9%	16%	22%	7%
Scotforth West	637	41%	8%	18%	21%	11%
Poulton	610	31%	5%	32%	21%	10%
Duke's	537	25%	8%	12%	36%	18%
Harbour	515	29%	5%	35%	24%	7%
Heysham North	512	27%	5%	32%	26%	9%
Skerton East	408	44%	11%	24%	17%	3%
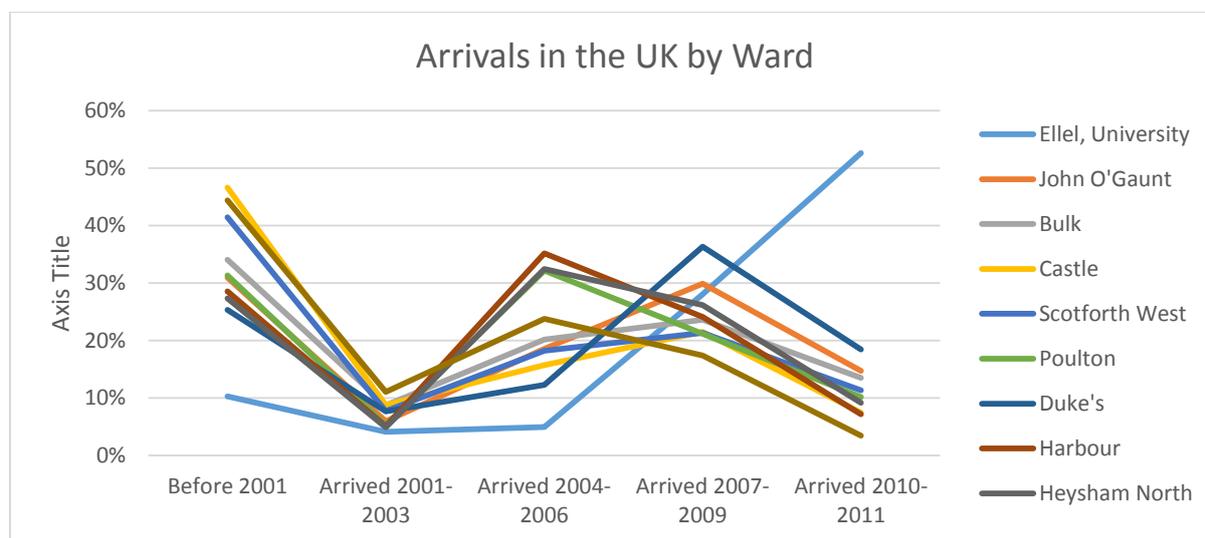
Data for the ten wards shows that the major period for arrivals into the UK for most wards was before 2001. The majority of arrivals into the three wards were recorded in the period 2004-2006, coinciding with a major period of migration from EU accession countries. The comparison of EU migration data and arrival in the UK 2011 census data gives some indication of the ethnic origin of migrants in the three wards. This is also corroborated by the relatively high percentage of 'other white' ethnic origin for the three wards.

It should be noted that the movement of people into the three wards is relatively low compared to elsewhere in the district. Ellel ward, by comparison has had far more arrivals in total since 2001 (1789) than the three wards combined. However, Ellel is a ward with a high concentration of students, graduates and academics, who have, or are still attending Lancaster University.

The majority of the migration for the three wards was between 2004-2009, this suggests that the reason may have been economic migration – non-UK individuals looking for short-term work. The abundance of relatively cheap private rented accommodation in Morecambe is likely to have been a significant pull-factor.

3.5. Deprivation

The Index of Multiple Deprivation 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.

The study breaks down the country into 32844 small areas or neighbourhoods, Lower Super Output Areas (LSOAs), and is able to rank them from most to least deprived. The rankings are made up of 10 equal groups or deciles. Within the area considered for licensing, there are 16 LSOAs. Of these, 6 LSOAs are ranked in the most deprived decile. The following map shows the geographical distribution of postcodes within LSOAs, with their decile ranking. The size of the dots indicate the individual ranking for the LSOA, with the smallest blue dots indicating the lowest ranked and therefore most deprived LSOA.
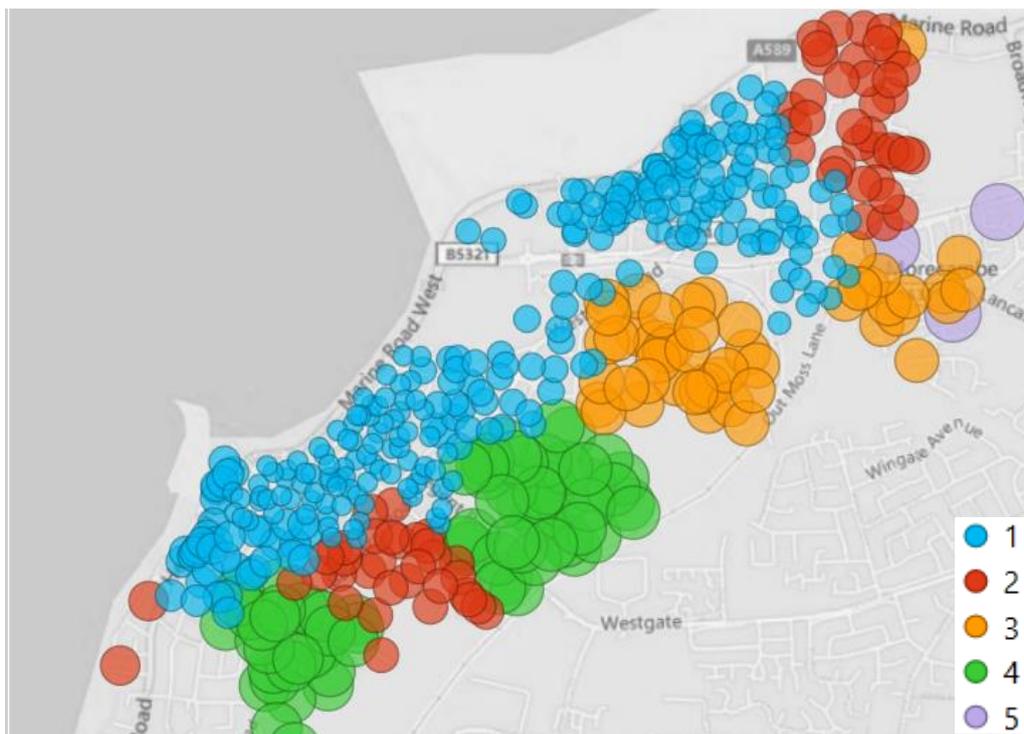
The greater concentrations of the most deprived LSOAs are grouped and are located towards the seafront in areas with a large proportion of terraced housing, many of which have been converted into self-contained flats.

The 2011 Census collected data on the number of deprivation dimensions, per household. The chart below compares the three wards with data for the district as a whole.
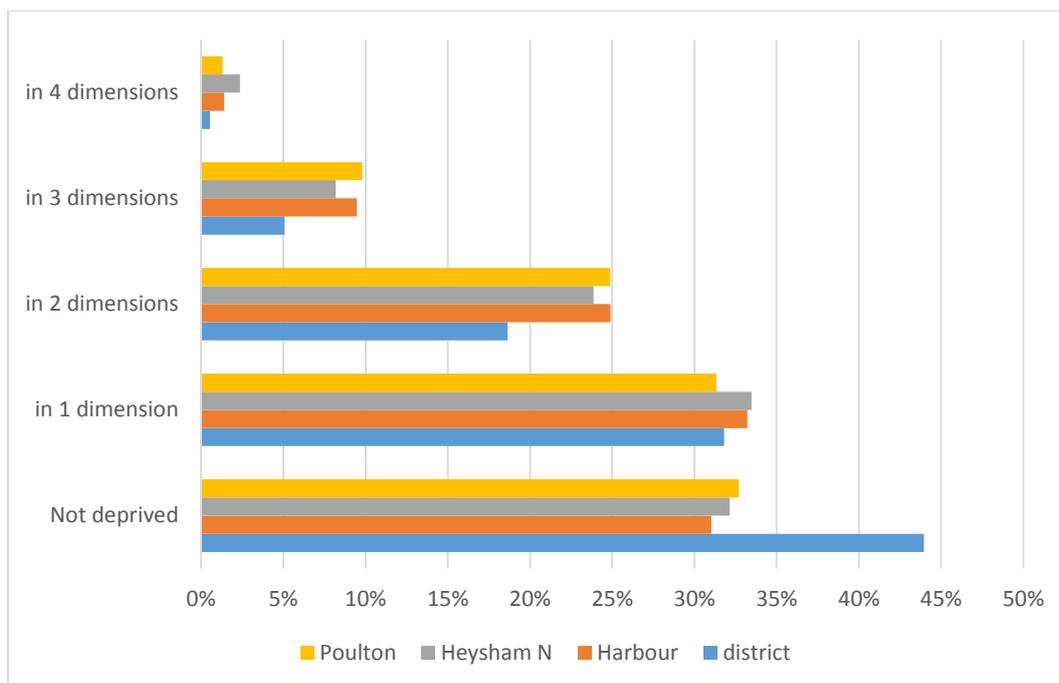
Lancaster District has approximately 45% of households without any measure of deprivation. However, the average for the three wards is approximately 32%. The percentage of households with 3 or more deprivation dimensions is double that of the district.

3.6. Crime

Regarding 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 three 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.

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. The table shows all recorded crimes, but makes no distinction between the category or severity of crimes committed.

Ward	2013	2014	2015	2016
Poulton	804	1049	1169	1111
Duke's	694	1072	1054	1064
Harbour	583	705	725	729
Bulk	505	752	675	647
Heysham North	483	539	636	629
Skerton East	370	595	540	627
Westgate	453	630	558	561
Skerton West	381	505	571	534

Castle	366	414	465	425
Heysham South	264	292	348	401
Carnforth	166	231	244	255
Torrisholme	163	219	217	246
Heysham Central	148	206	239	231
John O'Gaunt	176	283	260	226
Scotforth West	193	208	237	206
Scotforth East	95	105	142	173
Ellel	107	182	171	172
Overton	131	151	132	153
Bare	132	146	153	141
Lower Lune Valley	64	134	124	106
Bolton-Le-Sands	73	99	71	100
Slyne-With-Hest	55	86	95	87
Halton-With-Aughton	54	73	47	56
Warton	49	55	81	52
Kellet	42	62	36	38
University	27	35	45	35
Silverdale	33	40	36	34
Upper Lune Valley	31	49	38	33

Of the 5 wards with the highest recorded crime in Lancaster, three are the wards considered for licensing.

3.6.2. Ward-level Crime

The UK Police Crime Map showed where most crimes are located in the three wards. The maps include ASB instances, so are a good indication of where disturbances are most likely to take place. The following map is a snapshot of recorded for the same month, January 2017:

Location of PRS Housing in Morecambe
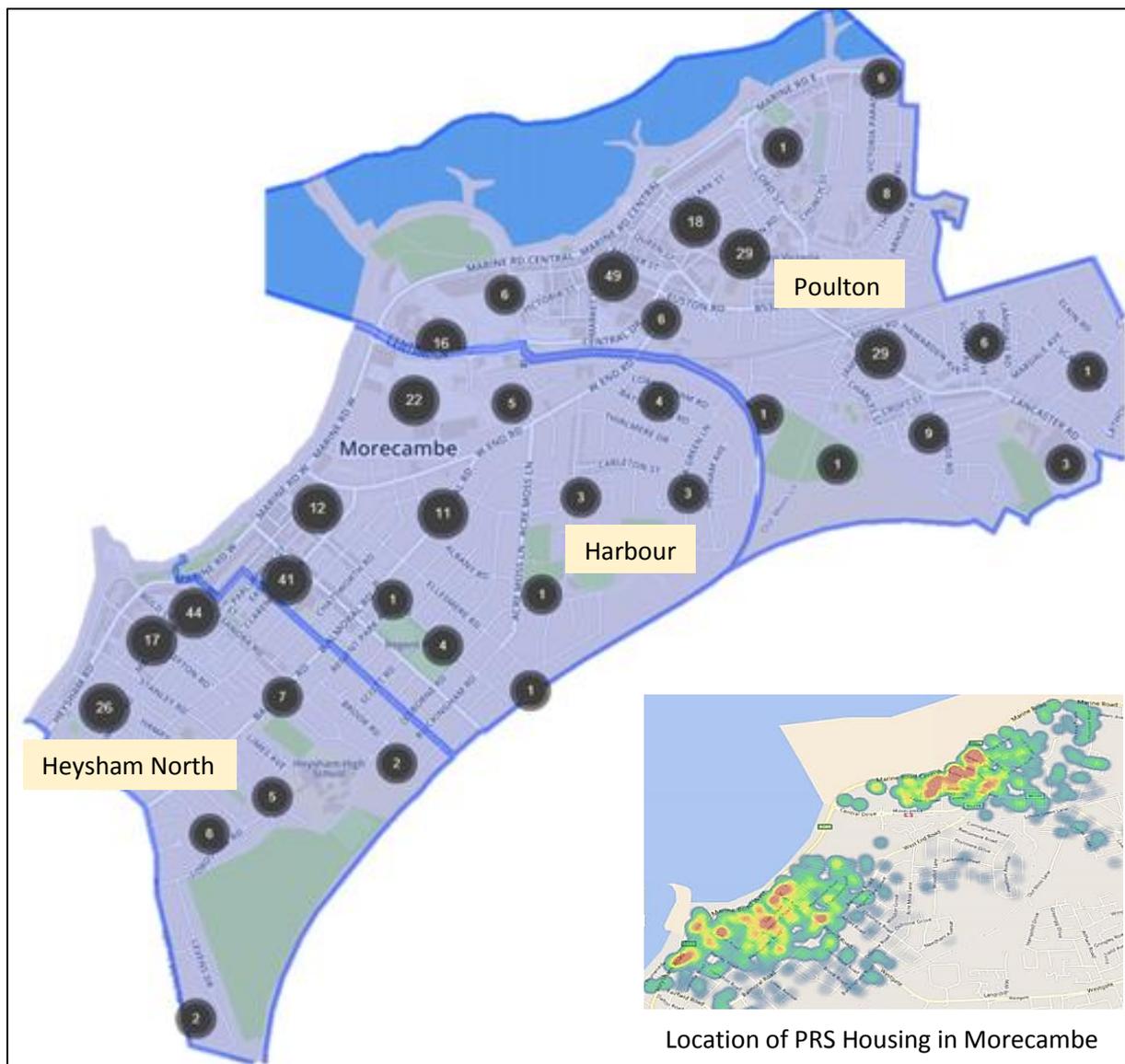
The map shows that the majority of recorded crimes take place in two main areas – on the border of Harbour and Heysham North, close to the seafront, and in Poulton, around the town centre. It is noticeable that the number of crimes reduces dramatically as you move away from the sea front. This is the same pattern as can be seen with deprivation, ASB and long term empty properties.

4. Conclusion

The purpose of this report has been to determine whether there are areas within Lancaster district which meet the conditions for selective and additional licensing. In all three wards, there are areas of low housing demand, with large numbers of empty or derelict properties. House prices in Morecambe are generally lower than in Lancaster, however, this study shows that house prices in the three wards in particular are more depressed than elsewhere in Morecambe.

There are high levels of ASB and crime in all three wards. Within the three wards there are LSOAs and COAs with very high levels and in some of those areas, there is as much as 65-70% PRS housing. Overall, an area containing 14% of the districts population recorded 33%

of all ASB incidents. In addition, an average of 34% of housing is privately rented, compared to 19% for the district as a whole.

However, it could be argued that within the three wards there are areas of relatively low ASB crime and deprivation, with higher house prices and plenty of demand for housing. The implementation of selective licensing in areas such as these would be seen as unjustified, and an imposition. Also, in such areas there is a low proportion of PRS housing. Therefore, the designation for selective licensing shouldn't be made on a ward level, but of areas of those wards.

The evidence gathered in this report was largely presented on a COA or LSOA footprint. The preference was to use COA data as the most detailed level of scrutiny of information, short of being able to use data for postcodes or households. As a COA consists of 7 or 8 postcodes it is more likely that the data used is representative of that area, whereas using LSOA, Ward or District level data will inevitably involve looking at more general trends.

It is therefore recommended that any designation of a Selective and Additional Licensing area is made on a COA footprint. The evidence collected in this report demonstrates that there are areas within the three wards that meet the conditions for selective and additional licensing, though applying selective and additional licensing to a whole ward would be inappropriate.