Lancaster City Council

Selective and Additional Licensing.

Summary of Proposals

The link to the Consultation

Selective licensing | KeepConnected (lancaster.gov.uk)

<u>Introduction</u>

Lancaster City Council is currently consulting on our updated licensing proposals, designed to ensure safer and better conditions in the private rented sector in the West End and Heysham North areas of Morecambe.

It is believed that in some streets in these wards over 70% of properties are privately rented, and as demand for housing increases, private renting becomes the only option for many households, including those who are vulnerable and on low incomes.

We believe that property licensing provides benefits to landlords, tenants and the wider community. Most landlords are responsible and offer good quality housing for their tenants and we recognise this. However, there is still a small and significant minority who do not fulfil their obligations, putting tenants at risk from unacceptable conditions as a result. The council can be much more proactive in targeting these landlords and raising standards for tenants, as well as supporting good landlords by implementing discretionary licensing schemes.

A previous consultation for a selective and additional licensing scheme was held in 2017 where the decision was to pause implementation of licensing in favour of a targeted enforcement approach. There was a commitment to review this decision and if necessary consult again on introduction of a licensing scheme.

Alongside existing initiatives and working with our partners, the proposed licensing scheme will enable identification of a responsible person and apply conditions where necessary. It will also enable targeting of those who do not maintain and manage their properties properly and thus bring about overall improvements to housing and to neighbourhoods across the area selected.

We would like to hear from everyone, including tenants, landlords, managing and letting agents, businesses, voluntary organisation, local residents and other interested parties to have your say on our plans for private property licensing in Morecambe.

How to have your say.

The full consultation study, The Case for Licensing in Morecambe, highlights the scale of problems relating to poor housing conditions, anti-social behaviour (ASB) and crime associated with Morecambe's private rented sector, and the evidence to support the council's proposal to introduce new licensing schemes.

This summary is supported by the draft licensing conditions, draft indicative fees and frequently asked questions.

The consultation is open to everyone, in particular to all residents within the selected area, as well as people who visit or work in the borough. We also welcome feedback from organisations and community groups, and we are consulting widely with landlords, agents, tenants, local businesses, regional and national landlord association, the police, Lancashire Fire and Rescue, and all other interested stakeholders.

We are keen to hear your views on our proposals, and you can do so by one of the following methods

- Complete the property licensing consultation questionnaire.
 Selective licensing | KeepConnected (lancaster.gov.uk)
- Complete a paper questionnaire (please contact 01524 582000, Housing Standards to request a paper copy)
- Attending one of our consultation events for landlords and residents (dates to be confirmed and publicised).

The Private Rented Sector.

The private rented sector (PRS) in the Heysham North and West End wards of Morecambe is large and continuing to grow. Our review has shown that poor housing conditions, and higher recorded levels anti-social behaviour and crime are associated with areas where there is a large PRS.

What are property licensing schemes?

These schemes enable local authorities to regulate private rented properties in their areas. This is done through the issuing of a licence, usually to the landlords which contain conditions that relate to its management, use and maintenance

License conditions are wide-ranging and can include requirements relating to gas, electric and fire safety, maximum permitted occupation, management of refuse and recycling, energy efficiency, management of ASB and security measures.

There are three types of property licensing scheme that are applicable to the private rented sector:

Mandatory HMO licensing is a national scheme which applies to all larger HMOs occupied by five or more persons in tow or more households.

Additional HMO licensing applies to small HMOS and HMOs in converted buildings which are not covered by mandatory licensing.

Selective licensing applies to all other private rented properties that are not subject to either mandatory or additional licensing.

Additional and selective licensing are discretionary and can be implemented where specific criteria can be shown to be met.

Licensing schemes last for up to five years, after which they expire.

A fuller explanation of the three different types of licensing can be found in the full consultation document.

Current property licensing schemes in Lancaster District.

Lancaster City Council operates the mandatory licensing scheme as this is the national scheme required by the Housing Act 2004.

Under all licensing schemes, before being issued with a license, all landlords must demonstrate that they are a fit and proper person to manage the property. Under selective and additional licensing it is planned to inspect every licensed property during the five years of the scheme.

All licenses are issued with a set of property specific conditions which must be complied with in line with specific timescales which enables the council to better regulate higher risk properties in the district, ensure that housing conditions improve and work with landlords to promote better standards of routine property management.

The licensing schemes enable the council to better target the minority of landlords who fail to ensure that they manage their properties appropriately which leaves tenants at risk. Securing improvement of these properties not only improves the lives of tenants, but also the wider community.

Property licensing benefits to landlords, tenant and the local community. Benefits for landlords.

Licensing enables the council to identify and take a more robust approach to the minority of 'rogue' landlords who fail to invest in their property and meet their legal obligations. Poor performing landlord will be provided with support and training to help them proactively manage their properties.

This benefits responsible landlords by providing a level playing field and improving the reputation and professionalism of the sector.

Benefits for tenants

Licensing provides the resource that allows the council to adopt a much more proactive and risk-based approach to tackling poor housing condition and raising standards in the private rented sector.

Licensing encourages good practice and makes properties safer for tenants who occupy them.

Benefits for the local community

If privately rented properties are poorly managed it can have a negative impact on the wider neighbourhood. Licensing increases the number of landlords managing their properties effectively, including the enforcement of tenancy condition to combat neighbourhood nuisance by tenants or people visiting their properties.

All property licenses will contain a condition that the holder must provide adequately sized bins and sufficient recycling containers for the occupiers.

An increase in noise complaints may be lined to overcrowded properties, and licensing enable the council to limit the number of occupants in a property and reduce overcrowding.

Improvement of significant numbers of poorly managed privately rented properties can help to reduce deprivation in the area.

Where an what type of private rented properties with the new licensing scheme cover.

We are proposing to introduce additional licensing and selective licensing.

Evidence to support a new licensing scheme.

The data is contained in the full consultation document and is summarised as:

Proposed license conditions

Licenses will have conditions attached. The Housing Act requires several specific conditions to be included in a licence. The other conditions are discretionary, and the council will apply these were applicable to the property In accordance with legal requirements. Some of the conditions to be applied will require.

- References are obtained from prospective tenants
- Inspections of the property are carried out regularly to identify any problems relating to the condition and management of the property
- Licence holders should ensure all gas installations and appliances and electrical appliances are in a safe condition and have valid safety certificates available and that carbon monoxide and smoke alarms provided are working.
- There are tenancy management arrangements in place to prevent or reduce anti-social behaviour by persons occupying or visiting the property.

Proposed licence fees.

Licence applicants will be required to pay a fee for each property that needs a licence. A draft of the proposed licensing fees is available as part of the consultation documents.

Licensing and how it fits with wider council strategies.

Landlord licensing is not a tool that can be used in isolation but is part of the overall Homes Strategy.

Alternative options to licensing that have been considered.

Following a consultation in 2017, a targeted enforcement approach was adopted. However, there were still issues of landlord engagement with this approach, and it continued to be difficult to identify a responsible person. We have recently seen more 'out of town' landlords enter the market which can make landlord engagement more complicated.

We also hold an annual landlord forum and publish a regular landlord newsletter which all landlords are invited to contribute to.