

Notice of:	EXECUTIVE
Decision Number:	EX37/2023
Relevant Officer:	Antony Lockley, Director of Strategy and Assistant Chief Executive
Relevant Cabinet Member:	Councillor Mark Smith, Cabinet Member for Levelling Up Place
Date of Meeting:	16 October 2023

SELECTIVE LICENSING IN EIGHT WARDS OF BLACKPOOL

1.0 Purpose of the report:

- 1.1 To request approval from the Executive to consult on and then introduce a Selective Licensing scheme (subject to Secretary of State Confirmation) in the central area of Blackpool, covering the eight key wards of Bloomfield, Brunswick, Claremont, Talbot, Tyldesley, Warbreck, Waterloo and Victoria. Selective Licensing requires that, other than very limited exceptions, all privately rented properties are required to be licensed.
- 1.2 A new Selective Licensing scheme for the Central area will require Secretary of State confirmation, which, in accordance with the regulations, would be sought after the Council has undertaken a full consultation on the scheme.

2.0 Recommendation(s):

- 2.1 To approve in principle the designation of a Selective Licensing scheme for the eight wards as set out in the report including any minor amendments proposed to the scheme as a result of public consultation, with effect from at least 3 months after the published decision date in accordance with the regulations, and subject to Secretary of State confirmation.
- 2.2 To delegate to the Cabinet Member for Levelling up Place to approve the submission of the Select Licensing to the Secretary of State by the Head of Housing, subject to the completion of the process outlined in 2.1 and no significant objections being received or amendments proposed during the consultation period.
- 2.3 To approve that in the event of any significant amendments to the scheme that these amendments be brought back to Executive before submission to Secretary of State.

3.0 Reasons for recommendation(s):

- 3.1 Blackpool Council has recognised for a long time the intrinsic link between poor quality private rented accommodation and deprivation, and in March 2022, Blackpool was identified by Central Government as the first Levelling Up area, reflecting the urgent and pressing need for public sector intervention to address the impact and consequences of a dysfunctional Private Rented Sector housing market in inner Blackpool.
- 3.2 Too much of the private rented housing stock within Blackpool is of poor quality, and this is particularly acute within the central area (evidence obtained through the Department for Levelling Up, Housing and Communities funded Decent Homes Pilot shows that at least one in every three private rented properties in this area upon inspection contain at least one Category One Hazard – the most serious potential risk of harm). The areas proposed have been selected due to them falling within the top 10 most deprived wards in Blackpool, combined with the 8 highest proportions of Private Rented Sector stock within their ward boundaries ranging from 35% to 57% per ward.
- 3.3 Selective licensing is a key component of the Council’s approach to address issues commonly occurring as a result of poor quality privately rented accommodation; it can improve the quality of management in privately rented homes and decrease levels of deprivation in these areas, which are amongst the most deprived in England, and help improve the quality of life for local residents.
- 3.4 Selective Licensing can help to get behind the front doors of some of the most vulnerable and can improve community stability and create more desirable places to live. Selective licensing can also offer an opportunity to provide advice to landlords on effective management.
- 3.5 Blackpool Council has designated schemes previously in Central, South Beach and Claremont. Whilst area based improvements were noticed, these were only short term and it was evident that these improvements would not be sustained without further licensing over a longer period of time and this is an opportunity to take a more comprehensive approach.
- 3.6 The income generated from the scheme will provide additional resource to commence inspections across the area at pace, to tackle some of the most poorly managed properties across the town, and also support to more vulnerable tenants.
- 3.7 Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No
- 3.8 Is the recommendation in accordance with the Council’s approved budget? Yes

4.0 Other alternative options to be considered:

4.1 No alternative options are available to tackle the depth and scale of the problem of poorly managed privately rented properties in this area. Selective Licensing will be used alongside all other tools and powers available to the Council.

5.0 Council priority:

5.1 The relevant Council priority is both:

- “The economy: Maximising growth and opportunity across Blackpool”
- “Communities: Creating stronger communities and increasing resilience”

6.0 Background information

6.1 Part 3 of the Housing Act 2004 enables local authorities to introduce a selective licensing designation where they can demonstrate that there are a large number of privately rented homes that are being poorly managed, and that this is causing problems for the tenants or members of the public. If the scheme is approved, each affected property in the proposed area will be required to obtain a licence and comply with the licence conditions. Licence conditions include ensuring the property is safe and that all safety certificates can be provided including fire safety. All landlords must be ‘fit and proper’ and be able to demonstrate that they are fit to be a landlord. Landlords must be able to demonstrate that they have adequate procedures in place to manage any anti-social behaviour from their tenants and they are aware of their tenants’ rights.

Selective Licensing schemes are designed to be self-financing. No profit would be generated for the Council as a result of these schemes. Fees can be spent on all elements of administration of the scheme including processing licence applications; invoicing for fees; Housing Officer time arranging inspections and conducting the inspections assessing whether the Licence Holder has complied with Licence Conditions. The Council also proposes to trial the introduction of “Tenancy Support Officers” to assist landlords in supporting their most vulnerable tenants – again based on feedback from landlords when consulting on previous schemes. The team at Department for Levelling Up Housing and Communities (DLUHC) who are responsible for making recommendations to either approve or reject Selective Licensing applications (to the Secretary of State) is very supportive of this approach.

6.2 Since April 2015 local authorities have been required to seek Secretary of State confirmation for any new Selective Licensing schemes where more than 20% of privately rented homes in a borough will be included in a proposal. Local Authorities must be able to demonstrate that a range of conditions are evidenced, and defined processes are followed otherwise the scheme will not be approved. Local authorities can designate a scheme on several criteria: Poor housing condition; Anti-social behaviour; crime; migration and deprivation. For this scheme

the most relevant criteria are poor housing condition and deprivation.

- 6.3 Selective Licensing can help to improve management of privately rented properties. It can also help to decrease levels of deprivation, anti-social behaviour and crime, and help to stabilise communities. The 2019 Indices of Multiple Deprivation revealed Blackpool was ranked the most deprived area out of 317 districts and unitary authorities in England, when measured by the rank of average Lower Super Output Area rank and also by two of the other four measures. In total, 39 (41.5%) of the lower super output areas in the authority are among the 10% most deprived in the country, of which 8 are also in the top 10 most deprived neighbourhoods in the whole of England.
- 6.4 Improving the quality of private sector properties is a key strategic housing objective for Blackpool Council. The private rented sector now accounts for 31% of Blackpool's total housing stock (up from 26% 5 years ago) – compared to the national average of 21%, and therefore it is crucial that a high standard of accommodation and management is available for Blackpool residents in this sector.
- 6.5 Evidence from the Department for Levelling Up, Housing and Communities (DLUHC) funded Blackpool Enforcement Pilot has shown already that the majority of properties inspected in this area do not meet licensing conditions due to the lack of essential certificates and tenant information – some examples of this are no Anti-Social Behaviour Management Plans, how the landlord will deal with repairs, effective processes for the removal of refuse - and findings also show that more than 50% also contain at least one Category 1 hazard, risk assessed using the Housing Health and Safety Rating System (HHSRS).
- 6.6 Blackpool Council wishes to use all tools and powers available to it, and selective licensing is one of those tools which has been shown to provide effective and immediate results.
- 6.7 A full ten week consultation will be conducted which would also include consultation on a range of potential discounts including for early application; meeting The Blackpool Standard and evidence of an EPC rating of C or above.

6.8 Does the information submitted include any exempt information? No

7.0 List of Appendices:

7.1 Appendix 3a – Proposed Licence Conditions and Map of Proposed Area.

8.0 Financial considerations:

8.1 Fees will be set so that the scheme is self-financing, with the fees reflecting the costs to the local authority of administering the scheme. If a landlord chooses not to apply for a licence then they may be prosecuted or issued with a Civil Penalty Notice or Rent Repayment Order for failure to licence. Due to efficiencies in online processing, and being mindful on the cost of living pressures on all parts of the housing sector, it is the Council's intention to set a fee level slightly below the rates previously charged.

9.0 Legal considerations:

9.1 Part 3 of the Housing Act 2004 sets out the legislative framework for Selective Licensing. Section 80 of the Housing Act 2004 allows the local authority to designate an area of their district or an area in their district as subject to selective licensing.

10.0 Risk management considerations:

10.1 If not approved we would not be able to access properties at scale in this way to tackle poor management from landlords and support the most vulnerable tenants.

11.0 Equalities considerations:

11.1 An Equalities Impact Assessment has been completed and there is no expected impact for any groups with protected characteristics to be disproportionately affected as a result of this scheme.

12.0 Equalities considerations and the impact of this decision for our children and young people:

12.1 By taking this approach we will identify a large number of properties with a SAP Rating below C and work with landlords to improve the energy efficiency of their properties.

13.0 Internal/external consultation undertaken:

13.1 The scheme will be subject to a statutory ten week consultation as set out in Part 3 Housing Act 2004.

14.0 Background papers:

14.1 None.

15.0 Key decision information:

- 15.1 Is this a key decision? Yes
- 15.2 If so, Forward Plan reference number: 14/2023
- 15.3 If a key decision, is the decision required in less than five days? No
- 15.4 If **yes**, please describe the reason for urgency:

16.0 Call-in information:

- 16.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No
- 16.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

17.0 Scrutiny Committee Chairman (where appropriate):

Date informed: 6 October 2023 Date approved:

18.0 Declarations of interest (if applicable):

18.1 None.

19.0 Summary of Discussion:

19.1 Councillor Smith, Cabinet Member for Levelling Up Place introduced the item and in doing so highlighted the previous success of Selective Licensing within the Private Rented Sector in Central, South Beach and Claremont in improving standards and regulating that sector of the market.

Ms Vikki Piper, Head of Housing, briefly spoke on the item. Ms Piper explained that the recommendation would initiate a period of consultation on the Selective Licensing proposal, this consultation would be facilitated by an independent third party. The final decision on the implementation would be after that consultation and subject to Secretary of State approval. Ms Piper explained that the Council had brought forward proposals for the relevant eight wards due to the high levels of

Private Sector Rented Accommodation and the impact of poor quality within the sector on the wider health and wellbeing of those communities.

20.0 Executive decision:

20.1 The Executive agreed the recommendations as outlined above namely:

1. To approve in principle the designation of a Selective Licensing scheme for the eight wards as set out in the report including any minor amendments proposed to the scheme as a result of public consultation, with effect from at least 3 months after the published decision date in accordance with the regulations, and subject to Secretary of State confirmation.
2. To delegate to the Cabinet Member for Levelling up Place to approve the submission of the Select Licensing to the Secretary of State by the Head of Housing, subject to the completion of the process outlined in resolution 1 and no significant objections being received or amendments proposed during the consultation period.
3. To approve that in the event of any significant amendments to the scheme that these amendments be brought back to Executive before submission to Secretary of State.

21.0 Date of Decision:

21.1 16 October 2023

22.0 Reason(s) for decision:

22.1 Blackpool Council had recognised for a long time the intrinsic link between poor quality private rented accommodation and deprivation, and in March 2022, Blackpool had been identified by Central Government as the first Levelling Up area, reflecting the urgent and pressing need for public sector intervention to address the impact and consequences of a dysfunctional Private Rented Sector housing market in inner Blackpool.

Too much of the private rented housing stock within Blackpool is of poor quality, and this is particularly acute within the central area (evidence obtained through the Department for Levelling Up, Housing and Communities funded Decent Homes Pilot shows that at least one in every three private rented properties in this area upon inspection contain at least one Category One Hazard – the most serious potential risk of harm). The areas proposed have been selected due to them falling within the top 10 most deprived wards in Blackpool, combined with the 8 highest proportions of Private Rented Sector stock within their ward boundaries ranging from 35% to 57%

per ward.

Selective licensing would be a key component of the Council's approach to address issues commonly occurring as a result of poor quality privately rented accommodation; it can improve the quality of management in privately rented homes and decrease levels of deprivation in these areas, which are amongst the most deprived in England, and help improve the quality of life for local residents.

Selective Licensing can help to get behind the front doors of some of the most vulnerable and can improve community stability and create more desirable places to live. Selective licensing can also offer an opportunity to provide advice to landlords on effective management.

Blackpool Council had designated schemes previously in Central, South Beach and Claremont. Whilst area based improvements were noticed, these were only short term and it was evident that these improvements would not be sustained without further licensing over a longer period of time and this is an opportunity to take a more comprehensive approach.

The income generated from the scheme would provide additional resource to commence inspections across the area at pace, to tackle some of the most poorly managed properties across the town, and also support to more vulnerable tenants.

23.0 Date Decision published:

23.1 17 October 2023

24.0 Alternative Options Considered and Rejected:

24.1 The Executive noted that no alternative options were available to tackle the depth and scale of the problem of poorly managed privately rented properties in this area. Selective Licensing will be used alongside all other tools and powers available to the Council.

25.0 Executive Members in attendance:

25.1 Councillor Taylor, in the Chair

Councillors Benson, Burdess, Farrell, Hugo and M Smith

26.0 Call-in:

26.1

27.0 Notes:

27.1 The following Non-Executive Members were in attendance: Councillors Galley, Hunter, Marshall and M Scott.