

## **Consultation on the proposed introduction of Selective Licensing scheme:**

### **Frequently Asked Questions**

#### **What is Selective Licensing?**

Selective Licensing is a discretionary licensing scheme, which requires all landlords operating within a designated area to license any privately rented property within that area. Selective Licensing was introduced within the Housing Act 2004 under Part 3, Section 80.

The period of designation lasts for 5 years and will include mandatory and discretionary conditions aimed at ensuring licensed properties are safe, meet basic standards and they are managed in a satisfactory way.

#### **Why are you considering the introduction of Selective Licensing?**

The private rented sector has grown considerably within Scarborough Borough over the last 15 years. In 2001 there were 6,340 privately rented households across the whole Borough. By 2011, this had risen to 9,640 privately rented households, an increase of over 50%.

Whilst private rented housing is spread across the whole Borough, the highest concentrations of private rented stock are within the inner urban area of Scarborough with parts of the Castle, Central, North Bay (now within Northstead ward) and Ramshill wards having over 50% of their households privately renting. These 4 wards alone had 4114 privately rented households, according to the 2011 census, representing over 40% of the total number of private rented households in the Borough.

There are a significant amount of privately rented properties, which are of poor quality and are poorly managed. The impact of poor quality and badly managed accommodation can be very negative on the local neighbourhood. Problems such as anti-social behaviour, high rates of crime and low demand will blight the area and lead to low property values and lack of investment in the area.

We see Selective Licensing as one of the key tools to tackle the problems of poor quality and poorly managed accommodation in the private rented sector and also address anti-social behaviour in a neighbourhood.

#### **What properties could be affected by Selective Licensing?**

All privately rented properties within the proposed area would be subject to Selective Licensing.

#### **I thought you already licensed properties such as Houses in Multiple Occupation (HMOs)?**

Yes, under Part 2 of the Housing Act 2004, the Council has a statutory duty to license privately rented HMOs of 3 or more storeys, with 5 or more occupiers sharing facilities. This is known as mandatory licensing.

The Selective Licensing scheme applies to all other private rented properties, which would include self contained flats and single houses and other property types within the proposed area.

Any properties which currently have HMO Licences (Mandatory or Additional) would be exempt from Selective Licensing, as they are currently licensed.

#### **Are there any other properties which are exempt from Selective Licensing?**

Properties managed by Housing Associations, other housing providers and other regulated bodies, will be exempt, along with a range of other specific categories of property.

A full list of the exempt categories can be found in the Business case for Selective Licensing, which can be accessed at [www.scarborough.gov.uk/consultation](http://www.scarborough.gov.uk/consultation)

### **How many properties will this affect?**

From current data, we estimate that there is in the region of 1000 privately rented properties within the proposed area, which could be subject to Selective Licensing.

### **How will you manage to license all these properties?**

We think that we will need to issue around 550 individual licences, as there will be a mix of single occupied properties (e.g. single house) and multi-occupied properties (e.g. block of self contained flats managed by one landlord).

We are proposing to employ more licensing officers to undertake licensing inspections of the properties and undertake the administration of the scheme. A comprehensive inspection programme of the whole area will be undertaken in the first year of the scheme and further property inspections will be done where required. By taking a proactive approach and doing inspection visits upfront we will be able to identify any problems with the properties as early as possible.

### **Okay, but will you have the resources to do enforcement on all these properties?**

We also have a team of enforcement officers based in the Residential Regulation team who will be responsible for housing enforcement generally including licensed properties.

We will also be delivering the Selective Licensing scheme in conjunction with our Community Impact Team, which includes representatives from our Safer Communities Team, Police and Fire and Rescue Service. They will undertake joint inspection and enforcement visits with us where required and are able to call on a wider range of enforcement powers in order to address problems.

### **Where are you considering the introduction of Selective Licensing and why?**

We are proposing the introduction of Selective Licensing in parts of the Weaponness and Ramshill ward (map of the area and list of streets can be found on [www.scarborough.gov.uk/consultation](http://www.scarborough.gov.uk/consultation) ).

We initially looked at all the areas within the Borough where there are higher than average numbers of private rented households. We then analysed the factors outlined in the Government guidance on Selective Licensing, which included levels of deprivation, crime, anti-social behaviour and population change. We also analysed other information such as housing enforcement and environmental nuisance actions undertaken by the Council.

Analysis of all this data showed that this area ranked the highest on virtually all of these factors, and provided justification for proposing Selective Licensing in this area. Further information on the analysis can be found in both the Business Case document, which is on [www.scarborough.gov.uk/consultation](http://www.scarborough.gov.uk/consultation)

### **Why don't you just go ahead and introduce Selective Licensing if you think you really need it?**

It is a statutory requirement that we consult with all residents, landlords, business and other stakeholders in the proposed area in order to introduce Selective Licensing. The outcome of the consultation will help to determine the actual scale of any Selective Licensing scheme that

we may wish to introduce in an area. It may even suggest that there is no need to introduce Selective Licensing in an area.

### **What conditions will apply to Selective Licensing?**

There will be a range of conditions attached to each licence which will relate to the management of the property. There are some mandatory conditions, which we are required by law to place on the licence. These include conditions regarding gas safety, electrical safety, smoke alarms etc.

We also have the discretion to attach a range of local conditions. These will include conditions regarding energy performance, security, property management and dealing with anti-social behaviour amongst others. Full details of these conditions can be found on the Council's website at [www.scarborough.gov.uk/consultation](http://www.scarborough.gov.uk/consultation) and will be made available at consultation events.

### **I'm a landlord of a property that could be subject to Selective Licensing. How will it benefit me?**

There are a number of potential benefits that should arise from Selective Licensing in both the short term and longer term. In the short term, we would expect to see improvements to properties and improved management of properties. Through joint working with the Community Impact Team, which includes the police, we also expect to see reductions in anti-social behaviour.

We ultimately expect that it will make the area more desirable and lead to increased rental and property values, which will benefit landlords.

### **I'm a landlord of a property that could be subject to Selective Licensing. What do I need to do?**

If you are a landlord of a privately rented property within the proposed area then you will need to apply for a licence, unless your property is deemed exempt as mentioned previously.

The scheme won't come into force until early 2021 so you won't need to apply until then. There will be a range of license fees, which are yet to be determined, however, they will differ dependant mainly on the size of the property. The license fee for single occupied properties will be in the region of £550 however, it will be higher for multi-occupied properties. The license and fee will be for the duration of the designation of the Selective Licensing scheme, which will be 5 years from the commencement of the scheme.

### **Isn't this just a way of raising revenue for the Council?**

No any income generated from licensing fees can only be paid towards the running costs of the scheme. We are not allowed to make any surplus on the scheme to be used for any other purpose.

### **I'm a tenant of a property that could be subject to Selective Licensing. How will it affect me?**

As stated earlier Mandatory Licensing requires landlords to provide items such as gas safety certificates, the safe provision of electrical appliances and furniture and keep the fire detection and alarm system in working order. This should provide a greater degree of safety and reassurance to the tenant.

Tenants will have also have reassurance that checks have been done to ensure both the property and any shared facilities are suitable and that the property is suitable to be occupied by the number of persons living there.

### **I'm not a tenant but I do live in the area so how would it affect me?**

Selective Licensing will ensure that privately rented properties in your area are being managed sufficiently and will enable the Council to take enforcement action against a wider range of properties where there may be problems with the property or anti-social behaviour. One of the main aims is to improve the local area and be able to take more effective action against anti-social behaviour and environmental problems. This should result in benefits to all residents, businesses and visitors to the local area.

**If you decide to introduce Selective Licensing, when will it commence?**

The consultation runs until 31<sup>st</sup> March 2020, after which we will be reporting back to our Cabinet on the outcome of the consultation in May 2020 and full Council in July 2020.

If full Council approves the designation of a Selective Licensing scheme, then we will need to apply to the Secretary of State for approval. Assuming that the Secretary of State grants approval then we will be required to issue a Public Notice for a minimum of 3 months. As a result we would not be commencing Selective Licensing until early 2021.