

**IMPROVING PLACES SELECT COMMISSION**  
**Wednesday, 23rd July, 2014**

Present:- Councillor Read (in the Chair); Councillors Andrews, Atkin, Cowles, Gilding, Gosling, N. Hamilton, Sims and Wallis; together with co-opted members Mr. P. Cahill, Mrs. L. Shears and Mr. B. Walker.

Apologies for absence were received from The Mayor (Councillor Foden), Councillors Finnie and Roche and from co-opted member Mrs. P. Copnell.

**9. DECLARATIONS OF INTEREST**

Councillor Wallis declared a personal interest in Minute No. 13 (Private Rented Housing – Selective Licensing) as the owner-occupier of residential premises in one of the areas which was the subject of public consultation in respect of the proposed licensing scheme.

**10. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS**

There were no questions from members of the public or the press.

**11. COMMUNICATIONS**

There were no items to report.

**12. MINUTES OF THE PREVIOUS MEETING HELD ON 18TH JUNE, 2014**

Resolved:- That the minutes of the previous meeting of the Improving Places Select Commission, held on 18th June, 2014, be approved as a correct record for signature by the Chairman.

**13. PRIVATE RENTED HOUSING - SELECTIVE LICENSING**

Further to Minute No. 53(2) of the meeting of the Improving Places Select Commission held on 26h March, 2014 and Minute No. 236 of the meeting of the Cabinet held on 9th April, 2014, consideration was given to a report presented by the Strategic Director of Neighbourhood and Adult Services, which provided details of the consultation feedback about the proposed selective licensing scheme for landlords of private rented housing and included recommendations based on the responses, comments and representations made. The report stated that approximately two-thirds of residents' responses had expressed their support for a mandatory selective licensing scheme, although local landlords expressed opinions against such regulation.

The scheme was under consideration because of the Council's wish to secure an effective and efficient way of dealing with the issues which occur with private rented sector housing. The proposals consulted upon were that Selective Licensing designations under the Housing Act 2004

should be introduced in three areas of the Borough:-

- Rotherham Central (including the Town Centre, Canklow, South Central and Boston Castle, Eastwood and Masbrough)
- Dinnington
- Maltby South East

The report, which included options for the introduction of either a mandatory selective licensing scheme or a voluntary local scheme, is intended to be submitted for further consideration at the meeting of the Cabinet to be held on Wednesday, 24th September, 2014. Consideration was continuing as to which approach would be the preferred way forward to ensure the objectives of the proposal would be achieved.

The Select Commission's discussion of this issue included the following salient matters:-

: the scrutiny review of housing in the private rented sector (2012);

: the range of legislative powers available, which enable the Council to fulfil its responsibility to take action against irresponsible housing landlords (eg: HHSRS enforcement; management orders; compulsory purchase of property);

: the Council's previous attempt to introduce a voluntary licensing scheme had not succeeded because of a low level of take-up by landlords and an over-reliance on the Borough Council to resource the scheme;

: the key elements of a mandatory scheme (eg: areas of low housing demand and high turn-over of tenants and where there is a high incidence of anti-social behaviour linked to rented housing);

: the various consultation meetings held, responses received and online communications received, about the proposed licensing scheme;

: the consultation responses received from residents showed that a large majority of residents were in favour of a selective licensing scheme; by contrast, the responses showed that the vast majority of landlords were not in favour of such a scheme;

: the Council's dialogue and engagement with residents, with landlords and with landlords' associations;

: the Council's dialogue and engagement with managing/lettings agents (who act on behalf of landlords) and the responsibility of such agents for maintaining acceptable housing standards;

: the legal requirement, embedded in central Government guidance, for the Council to consider any other course of action that might provide an effective method of achieving the objectives;

: details of the landlord-led voluntary quality landlord scheme (as described in the report); it was noted that this scheme was initiated by landlords' organisations and, if implemented, would be administered on a commercial basis by a third party and not by this Council;

: the number of responses received as part of the consultation process and the validity of the conclusions drawn from those responses;

: consideration of the proposed fee to be payable by licensed landlords; the business case for the scheme contains an estimated cost of £687 for a landlord, for a licence lasting five years; the fee would be for administrative purposes and not profit-making;

: the Council's enforcement resources for a mandatory scheme are likely to be two full-time equivalent enforcement officer posts (and there may be other costs incurred); on this basis, a recurring annual cost of £70,000 was being estimated; this cost should be compared against the current cost to the Council (and to other public sector services) of dealing with residents' complaints about the standards of private rented sector housing and with the consequences of the problems posed by irresponsible landlords;

: the analysis of the ethnic background of people who had responded to the consultation;

: the relative merits of introducing a licensing scheme in a selective, local area and of introducing a scheme which covers the whole Borough area;

: the possibility of the Council's eventual decision, to introduce either a mandatory or a voluntary licensing scheme, being the subject of a legal challenge;

: alternative means of ensuring that landlords will register with the licensing scheme to be introduced and will remain registered in the future;

: if a Borough-wide voluntary scheme was introduced by the landlords' organisations, the Council would require its performance to be monitored utilising a set of key measures including take-up in both the prioritised areas and throughout the Borough area; variance from those success indicators would result in further consideration of the possible introduction of a mandatory scheme;

: the licensing scheme will include education and training for landlords, as well as inspections of properties; such a scheme may prevent the spread of housing blight and also provide assistance in reducing the level of homelessness in the Borough, for example, by means of earlier identification of empty properties available for occupation;

: whether the information in the register of licensed landlords will be made

available for tenants and prospective tenants;

: questioning the impact of the licensing scheme upon housing rents (the possibility of a consequent increase in rents was acknowledged); questioning whether the licensing scheme would be necessary if landlords were required to utilise authorised lettings/management agents; the possibility of the scheme including discounted fees for landlords who utilise managing agents was discussed; currently, there was no registration scheme for lettings/management agents.

In conclusion, the Improving Places Select Commission acknowledged that the Council has a duty to try and resolve the issues affecting private rented sector housing in the areas highlighted in the report. Accordingly, the Select Commission both recognises the benefits of a mandatory licensing scheme and understands that currently there are reasons to consider the introduction of a voluntary local scheme.

Resolved:- (1) That the report be received and its contents noted.

*(2) That, insofar as the Improving Places Select Commission is concerned, the introduction of a landlord-led voluntary quality landlord scheme is the preferred option. \*\*\* see footnote below*

(Councillor Wallis declared a personal interest in the above item, as the owner-occupier of residential premises in one of the areas which was the subject of public consultation in respect of the proposed licensing scheme)

\*\*\* footnote

At the subsequent meeting of the Improving Places Select Commission, held on 16th September 2014, the following amendments were made to the above minute, by the deletion of resolution (2) above and the insertion of the following two resolutions:-

(2) That the Select Commission agrees that there was a need for action with regard to private sector rented properties in the areas identified by officers.

(3) That where there was legal advice that the Local Authority had to pursue a voluntary scheme that be the first course of action, however, should that fail the Select Commission would wish to see the Council move to a mandatory scheme as quickly as possible.

#### **14. HOUSING REPAIRS AND MAINTENANCE - UPDATE**

Further to Minute No. 35 of the meeting of the Improving Places Select Commission held on 27th November, 2013, consideration was given to a report presented by the Contract and Service Development Manager, describing the progress of the repairs and maintenance service provided

for this Councils Housing Stock during the last twelve months. The report stated that the service is provided the Willmott Dixon Partnership and by Morrison Facility Services.

Members noted that, because of continuing satisfactory performance, the contracts with both companies will be extended until 31<sup>st</sup> March, 2018. Contained within the report were details of:-

- : shared financial savings and value for money
- : customer volunteer inspections and mystery shopper exercises
- : legacy projects (eg: building new accommodation, in the Rockingham area, specifically for people with a disability);
- : key performance indicators and performance management
- : learning from complaints
- : responsive repairs
- : void (empty) properties (the 'turn-around time' of these properties for re-letting); ensuring that the number of void properties is less than 1% of the entire stock of Council housing
- : void properties – problems of neglected gardens and outhouses
- : trial of the use of "master keys" to increase the security of properties and also to assist in reducing the 'turn-around time' of void properties
- : gas and cyclical works
- : gas responsive repairs
- : planned and capital works
- : aids and adaptations
- : the contractors' corporate and social responsibility.

The Select Commission's discussion of this issue included the following salient issues:-

- : back-to-back lettings (introduced in January 2014) and the incidence of properties being let to new tenants, even though all repairs have not been completed; it was noted that the standard checks and repairs are always undertaken in these cases (eg: electrical safety checks);
- : action taken against departing tenants, who have caused damage to properties; repairs will be identified during inspections undertaken at the time of termination of the tenancy and the cost of repairs may be recharged to the departing tenant;
- : ensuring that the condition of the gardens of void properties does not suffer because of neglect;
- : customer satisfaction and its impact upon key performance levels and targets;
- : aids and adaptations, undertaken at Council properties, provided for tenants who have a disability; the impact of central Government policy was acknowledged.

Resolved:- (1) That the report be received and its contents noted.

(2) That a further report be submitted to a future meeting of the Improving Places Select Commission concerning the planned and capital works to this Council's stock of housing.

**15. ENERGY SUPPLY - COLLECTIVE SWITCHING SCHEME (THE BIG SWITCH)**

Consideration was given to a report, presented by the Corporate Environmental Manager, stating that the purpose of collective switching is to allow consumers to group together to increase their buying power and to negotiate a better deal from gas and electricity suppliers. The more people who are involved in a switch, the bigger the buying power and the better the deal is likely to be.

An assessment of the feasibility of implementing a Rotherham collective switching scheme had been carried out by this Council's Corporate Environmental Team during February, 2014. The assessment had examined various schemes; reviewed costs, benefits and potential funding; resource implications; risks; uncertainties and feasibility. Details of the assessment were included within the report.

The Select Commission discussed the following salient issues:-

: switching schemes operated by other local authorities (eg: the scheme operated by Kirklees MDC (Huddersfield) was cited as a successful scheme); however, the uptake was low (8.7% at Kirklees) and there was no known data of actual reductions or increased tariff after the first year;

: all of the Councils assessed used a third party, ichooser, to administer the switching schemes;

: the scheme could have a negative impact on households suffering fuel poverty and on vulnerable people in the Rotherham Borough area and checks, support, resources and long-term actions would be required to prevent such impact.

Resolved:- (1) That the report be received and its contents noted.

(2) That, because of the resource implications compared with the risk and the small percentage of householders that may benefit, the implementation of a 'Bigswitch' style scheme is not supported.

(3) That this Select Commission considers that officers should focus resources on these issues:-

(a) continuing to work with tenants to reduce energy consumption;

(b) Housing and Neighbourhoods Services should assess the feasibility of Neighbourhood Wardens working with residents to secure the best utility prices through price comparison sites; and

(c) the Corporate Environmental Team shall continue to monitor the energy markets in case the situation changes.

#### **16. SCRUTINY REVIEW - SUPPORTING THE LOCAL ECONOMY**

Further to Minute No. 20 of the meeting of the Improving Places Select Commission held on 4th September, 2013, consideration was given to a report presented by the Scrutiny Manager concerning the progress of the scrutiny review of the support for Rotherham's local economy. This review was being undertaken for several reasons, including: the changes to Local Government Finance (in particular, the business rates); the need to generate employment and training opportunities for local residents; and the need to secure private sector investment in the local economy.

An initial draft of the scrutiny review report, including recommendations, was also considered.

Resolved:- (1) That the report be received and its contents noted.

(2) That the final version of the report of the scrutiny review of supporting the local economy be submitted to the next meeting of the Improving Places Select Commission, to be held on Wednesday, 3rd September, 2014.

#### **17. IMPROVING PLACES SELECT COMMISSION - SCRUTINY WORK PROGRAMME 2014/15**

Further to Minute No. 54 of the meeting of the Improving Places Select Commission held on 26<sup>th</sup> March, 2014, consideration was given to a report, presented by the Scrutiny Manager, concerning this Select Commission's scrutiny work programme. The Council's Constitution required this Select Commission to carry out the overview and scrutiny of issues relating to:-

- community cohesion and social inclusion and the Council's specific initiatives to promote them;
- tourism, culture and leisure services and strategies;
- Borough-wide Housing and Neighbourhood strategies;
- economic development and regeneration strategies;
- environment and sustainable development.

The report provided details of future agenda items and potential themes for consideration during 2014/2015.

Members were invited to send their individual comments to Scrutiny Manager. It was also suggested that information should be reported to

meetings of this Select Commission on these issues:-

: the coalition Government Department for Transport open consultation about the future of the Northern and TransPennine Express rail franchises – concern had been expressed about the level of public subsidy for these rail services;

: the management of allotment sites and the availability of land for such sites.

Members noted the allocation of staff resources for detailed scrutiny reviews of certain specific topics.

Resolved:- (1) That the report be received and its contents noted.

(2) That the scrutiny work programme, as now submitted, be approved.

#### **18. REPRESENTATION ON OTHER BODIES 2014/2015**

Resolved:- That, further to Minute No. 8(2) of the meeting of the Improving Places Select Commission held on 18th June, 2014, the following appointments of representatives from the Improving Places Select Commission to the groups listed below, be approved for the 2014/2015 Municipal Year:-

Recycling Group - Councillor Gosling

Environment and Climate Change Steering Group - Councillor Wallis

Housing Assessment Panel – Councillor Sims.