

Appendix 2 - Analysis of Consultation for Selective Licensing in Parkgate and Thurcroft

1. Aims and Objectives

- Consult with landlords, residents and other stakeholders on whether to designate two further areas in addition to the existing four selective licensing areas.
- Use the consultation results to inform the business case for selective licensing.

2. Background

This report examines the potential for the Council to expand the selective licensing of privately rented housing to two additional areas of the Borough to help tackle low housing demand and high levels of antisocial behaviour related to private rented tenancies.

Four areas of Rotherham containing 8,000 households, of which approximately 2,500 are private rented properties, were designated as selective licensing areas due to:

- above average numbers of private rented sector properties
- below average property values
- high numbers of empty properties
- high levels of antisocial behaviour and crime

Further analysis revealed the potential to extend selective licensing to cover two additional areas in Thurcroft and Parkgate. These areas have higher than average social, economic and environmental problems, people have worse health outcomes and there are high rates of private rented housing. Ensuring effective tenancy management and the safety of homes in the private rented sector can contribute to reducing social and environmental problems.

Selective licensing is proposed for two small areas covering a small number of streets within each community. These areas are around Broad Street and Goosebutt Street in Parkgate, and the central area of Thurcroft.

Residents, landlords and businesses were consulted using combination of on line surveys and 2,800 surveys were delivered across the two identified areas, encompassing the specific streets proposed, and a large buffer zone in the locality. All current licence holders and owners of rented housing in and around the proposed areas were contacted directly. A total of 1,700 letters were sent to landlords.

Further, public meetings and press releases were arranged with adverts and adverts in district centres to highlight the proposals.

3. Overall Response

There were 366 responses received from residents, landlords, businesses and others, 78% of the total being residents. This analysis covers responses to the questions that were asked in the survey. Some questions were asked only to landlords whilst other questions were asked only to residents and businesses. Not all respondents answered all questions so the total number answering any question may not sum to the potential total.

Type of Respondent	Parkgate	Thurcroft	Total
Landlord	27	27	54 (15%)
Private Tenant	36	24	60 (16%)
Social Tenant	28	23	51 (14%)
Owner Occupier	118	58	176 (48%)
Business or Other	20	5	25 (7%)
Total	229	137	366

The consultation response was predominantly from residents, especially owner occupiers who were almost half of the total. There were few business responses, especially in Thurcroft.

4. Landlord Responses

Landlords & Agents

Area	Landlord	Agent	Live in Rotherham	Live Elsewhere
Parkgate	24	3	17	9
Thurcroft	25	2	16	10

Property Portfolios

Area	Own property in the area	Own property elsewhere	Own 1 property	Own 2-10 properties	Own more than 10 properties
Parkgate	14	10	6	16	4
Thurcroft	23	3	12	15	0

Time as Landlord and Trade Associations

Area	Landlord under 2 years	Landlord 2-9 years	Landlord over 10 years	National Landlord Association	Residential Landlord Association
Parkgate	6	9	7	7	7
Thurcroft	5	16	5	4	3

The profile of landlords suggests that those in Thurcroft tend to have more localised and smaller scale property portfolios compared with Parkgate landlords.

Issues Encountered with Property / Properties

Issue	Parkgate	Thurcroft
Difficulty finding new tenants	2	3
Difficulty obtaining references for new tenants	2	2
Tenants in rent arrears	7	5
Problems evicting tenants	1	3
Problems in a neighbouring property affecting your property/tenants	3	4
Your tenants causing anti-social behaviour	1	2
Your tenants not looking after your property, including external areas	4	7
Your tenants suffering from poor physical and/or mental health	3	1
Problems with waste - tenants not using bins, fly tipping on your land	3	2

Tenants in rent arrears (22%) and tenants not looking after the property (20%) were the two most common issues encountered with letting properties.

Q: The following statements seek to gauge your opinion as to the effect Selective Licensing may have on the issues listed.

Selective Licensing will help to.....

Parkgate					
	Improve the Environment	Reduce ASB	Improve the Quality of Housing	Tackle poor landlords	Help good landlords
Agree	3	2	6	11	1
Neither Agree or Disagree	9	9	7	6	8
Disagree	15	16	14	10	18

Thurcroft					
	Improve the Environment	Reduce ASB	Improve the Quality of Housing	Tackle poor landlords	Help good landlords
Agree	7	3	10	13	5
Neither Agree or Disagree	8	6	8	6	7
Disagree	12	18	7	8	15

Landlords generally did not think that selective licensing would improve the environment, reduce ASB or improve the quality of accommodation. Only Thurcroft landlords offered a positive view that it would improve the quality of accommodation. Landlords were divided about whether selective licensing would help the Council to tackle poor landlords with 44% agreeing 33% disagreeing. They were far less convinced that it would help good landlords with 61% disagreeing and only 11% agreeing.

Agreement with the Selective Licensing Proposals

Parkgate (27 landlords)			
	Proposed fee structure	Conditions for selective licensing	Proposal to introduce selective licensing - Overall
Agree	0	3 (11%)	3 (11%)
Neither Agree or Disagree	3 (11%)	8 (30%)	4 (15%)
Disagree	24 (89%)	16 (59%)	20 (74%)

Thurcroft (27 landlords)			
	Proposed fee structure	Conditions for selective licensing	Proposal to introduce selective licensing - Overall
Agree	0	8 (30%)	6 (22%)
Neither Agree or Disagree	4 (15%)	10 (37%)	6 (22%)
Disagree	23 (85%)	9 (33%)	15 (56%)

Overall, 65% of landlords disagreed with the proposal to introduce selective licensing in the two areas and only 17% in agreement, with disagreement highest in Parkgate. There was more agreement with the conditions proposed (20%) but less on the proposed fee structure where no landlord agreed and 87% disagreed.

5. Questions Answered by All Respondents

Issues which are Problems in the Area

Issue	Parkgate Landlords	Parkgate Residents	Thurcroft Landlords	Thurcroft Residents
Poor housing conditions	2	108	6	49
Empty houses	2	61	2	29
A high turnover of tenants (tenants not staying long)	3	67	5	37
A high level of unemployment	8	92	12	45
People not being able to pay their bills	8	45	11	17
Problems accessing services - for example, doctors, schools	2	21	1	9
Ill health (poor physical and mental health)	2	41	1	15
Environmental issues - for example, dog fouling, fly tipping, graffiti	6	128	10	75
A high level of crime and antisocial behaviour	9	109	11	60
A poor perception of private landlords	7	42	13	27
Experienced any of the above problems	N/A	109	N/A	56

The top concerns were environmental issues raised by 219 people (60%), high crime and ASB with 189 people (52%), poor housing conditions with 165 people (45%) and high unemployment with 157 people (43%). Residents were far more likely to perceive these issues to be problems in the areas than were landlords. 53% of residents had experienced at least one of the problems listed, slightly more in Parkgate (54%) than Thurcroft (51%)

6. Resident and Business Responses

Residents and Businesses in Parkgate

Area	Private Tenant	Social Tenant	Owner Occupier	Business
Live in Parkgate	32	28	88	5
Live Elsewhere in Rotherham	4	0	26	7
Live Outside Rotherham	0	0	2	7

Half of all respondents in Parkgate were owner occupiers and 25% of these lived outside the proposed selective licencing area. Tenants made up 32% of all residential respondents and almost all lived in Parkgate. 70% of business owners lived outside the area.

Time Resident in Parkgate & Home and Intention to Stay

Area	Private Tenant		Social Tenant		Owner Occupier		Business	
	Area	Home	Area	Home	Area	Home	Area	Home
0-2 Years	6	8	3	3	3	3	0	0
3-9 years	18	19	11	11	6	8	0	0
Over 10 Years	15	5	13	13	79	76	5	5
Not Applicable	4	4	1	1	30	31	15	15
Intend to Stay for next 5 years	25		25		70		5	
Intend to Leave in next 5 years	6		3		14		0	

70% of residents who responded have lived in Parkgate for over 10 years. Owner occupiers are far more likely to be long term residents than tenants, especially private tenants. 81% of residents expressing a view intend to stay in Parkgate although this may not necessarily be through choice.

Residents and Businesses in Thurcroft

Area	Private Tenant	Social Tenant	Owner Occupier	Business
Live in Thurcroft	23	21	47	1
Live Elsewhere in Rotherham	0	0	10	1
Live Outside Rotherham	1	2	0	3

Over half of resident respondents in Thurcroft were owner occupiers (52%) and 18% of these lived outside the proposed selective licencing area. Tenants made up 43% of resident respondents and almost all lived in Thurcroft. Most business owners lived outside the area.

Time Resident in Thurcroft & Home and Intention to Stay

Area	Private Tenant		Social Tenant		Owner Occupier		Business	
	Area	Home	Area	Home	Area	Home	Area	Home
0-2 Years	5	8	0	0	1	2	0	0
3-9 years	7	9	3	5	5	4	1	1
Over 10 Years	11	6	18	16	41	40	0	0
Not Applicable	1	1	1	1	11	12	4	4
Intend to Stay for next 5 years	20		20		44		1	
Intend to Leave in next 5 years	3		1		3		0	

76% of residents who responded have lived in Thurcroft for over 10 years. 87% of owner occupiers have lived in their current home for over 10 years compared with just 26% of private tenants. 92% of residents expressing a view intend to stay in Thurcroft although this may not necessarily be through choice.

Q: How much you agree or disagree with each of the following statements?

Landlords and agents should be responsible for maintaining their properties in a safe condition

Parkgate				
	Private Tenants	Social Tenants	Owner Occupiers	Businesses
Agree	35	28	116	17
Neither agree nor disagree	1	0	0	0
Disagree	0	0	2	2

Thurcroft				
	Private Tenants	Social Tenants	Owner Occupiers	Businesses
Agree	24	22	58	5
Neither agree nor disagree	0	0	0	0
Disagree	0	0	0	0

98% of residents and businesses agreed that landlords and agents should be responsible for maintaining their properties in a safe condition.

Landlords and agents should be responsible for maintaining the outside of their properties in a good condition

Parkgate				
	Private Tenants	Social Tenants	Owner Occupiers	Businesses
Agree	25	27	114	15
Neither agree nor disagree	4	0	2	0
Disagree	6	1	2	4

Thurcroft				
	Private Tenants	Social Tenants	Owner Occupiers	Businesses
Agree	14	20	53	4
Neither agree nor disagree	7	2	4	0
Disagree	2	1	1	0

88% of residents and businesses agreed that landlords and agents should be responsible for maintaining the outside of their properties in a good condition. Private tenants were the least likely to agree but 67% still agreed with the statement.

Landlords and agents should be responsible for taking action against tenants who cause a nuisance or antisocial behaviour

Parkgate				
	Private Tenants	Social Tenants	Owner Occupiers	Businesses
Agree	29	27	111	14
Neither agree nor disagree	2	1	4	2
Disagree	5	0	3	3

Thurcroft				
	Private Tenants	Social Tenants	Owner Occupiers	Businesses
Agree	14	20	53	4
Neither agree nor disagree	7	2	4	0
Disagree	2	1	1	0

88% of residents and businesses agreed that Landlords and agents should be responsible for taking action against nuisance and anti-social tenants. Private tenants were the least likely to agree but 73% still agreed with the statement.

Experience of Antisocial Behaviour

Parkgate				
	Private Tenants	Social Tenants	Owner Occupiers	Businesses
Have been a victim of antisocial behaviour	1	1	9	2
Have witnessed and been a victim of antisocial behaviour	7	7	19	2
Have witnessed antisocial behaviour	6	12	62	6
Have witnessed antisocial behaviour by private tenants	4	9	45	3
Have experienced and witnessed poor conditions in private rented housing	6	0	6	2
Have experienced poor conditions in private rented housing	1	2	5	2
Have witnessed poor conditions in private rented housing	5	4	40	6

Thurcroft				
	Private Tenants	Social Tenants	Owner Occupiers	Businesses
Have been a victim of antisocial behaviour	1	2	3	0
Have witnessed and been a victim of antisocial behaviour	1	3	11	1
Have witnessed antisocial behaviour	9	5	30	2
Have witnessed antisocial behaviour by private tenants	6	4	17	0
Have experienced and witnessed poor conditions in private rented housing	2	0	3	0
Have experienced poor conditions in private rented housing	7	2	1	1
Have witnessed poor conditions in private rented housing	0	5	22	2

42% of residents had witnessed antisocial behaviour with very little difference between Parkgate and Thurcroft. 6% had been a victim and 16% had been a victim and witnessed antisocial behaviour. 28% has witnessed antisocial behaviour by private tenants (30% in Parkgate and 25% in Thurcroft).

7% have experienced poor conditions in private rented housing and 26% have witnessed it. 53% of owner occupiers have witnessed poor conditions in private rented housing compared with 14% of private rented tenants which suggests that the standards expected are likely to be different.

Views of Private Tenants

	Parkgate	Thurcroft
Total	36	24
Landlord maintains home to a good standard	29	16
Landlord does not maintain home to a good standard	7	4
Landlord takes action against nuisance tenants	14	6
Landlord does not take action against nuisance tenants	6	7
Support the SL proposal if it meant that rent increased	8	4
Do not support the proposal if it meant that rent increased	24	17
Willing to pay £1 to £2 extra	1	2
Willing to pay £3 to £5 extra	6	2
Willing to pay £5 plus extra	2	1

75% of private tenants say that their landlord maintains their home to a good standard whilst 18% feel that their home is not well maintained. Views on action against nuisance tenants were less clear with 33% saying that landlords take action, 22% that they do not and 45% not knowing. Only 20% of tenants supported the selective licensing proposal if it meant their rent would increase. Most tenants did not indicate any willingness to pay extra rent with only 23% saying they were prepared to pay extra amounts.

Resident and Business Views on Selective Licensing Proposal

Parkgate					
	Private Tenants	Social Tenants	Owner Occupiers	Businesses	Total
	36	28	118	20	202
Do you agree with the two areas proposed for Selective Licensing?					
Agree	16 (44%)	17 (61%)	86 (73%)	11 (55%)	130 (64%)
Disagree	13 (36%)	3 (11%)	9 (8%)	5 (25%)	30 (15%)
Don't know	7 (19%)	8 (29%)	18 (15%)	3 (15%)	36 (18%)
Overall, how much do you agree or disagree with our proposal to introduce Selective Licensing in this area?					
Agree Strongly	10 (28%)	13 (46%)	70 (59%)	8 (40%)	101 (50%)
Agree	4 (11%)	6 (21%)	30 (25%)	1 (5%)	41 (20%)
Neither agree nor disagree	10 (28%)	6 (21%)	9 (8%)	5 (25%)	30 (15%)
Disagree	2 (6%)	1 (4%)	3 (3%)	0	6 (3%)
Strongly disagree	9 (25%)	1 (4%)	4 (3%)	5 (25%)	19 (9%)

Thurcroft					
	Private Tenants	Social Tenants	Owner Occupiers	Businesses	Total
Total	24	23	58	5	110
Do you agree with the two areas proposed for Selective Licensing?					
Agree	7 (29%)	14 (61%)	44 (76%)	5 (100%)	70 (64%)
Disagree	5 (21%)	1 (4%)	2 (3%)	0	8 (7%)
Don't know	11 (46%)	7 (30%)	10 (17%)	0	28 (25%)
Overall, how much do you agree or disagree with our proposal to introduce Selective Licensing in this area?					
Agree Strongly	2 (8%)	6 (26%)	36 (62%)	4 (80%)	48 (44%)
Agree	3 (13%)	6 (26%)	13 (22%)	0	22 (20%)
Neither agree nor disagree	14 (58%)	9 (39%)	8 (14%)	0	31 (28%)
Disagree	3 (13%)	2 (9%)	0	0	5 (5%)
Strongly disagree	2 (8%)	0	1 (2%)	0	3 (3%)

64% of residents and businesses agree with the two areas proposed for selective licensing, owner occupiers being particularly supportive with 74% in agreement. Resident and business support for selective licensing was 61% in Parkgate and 58% in Thurcroft. Landlords were least likely to support the proposed areas with only 24% in favour and 56% against. Private tenants were notably less sure than other groups with 30% disagreeing and 30% not knowing.

68% of residents agreed with the proposal to introduce selective licensing in their area with the strongest support coming from owner occupiers with 85% in agreement, 60% strongly. 11% disagreed with the proposal, particularly private tenants where 27% disagreed. 40% of private tenants expressed a neutral view.

7. Key Issues

Concerns

Residents were far more likely to perceive environmental issues, poor housing conditions, unemployment, crime, and ASB to be problems in the areas than were landlords. More than half of residents in each area had experienced at least one of these issues. Landlords did not see these as problems in the area, in many cases this could reflect the fact that they don't live in the two areas.

Management of property

Tenants in rent arrears and tenants not looking after the property were the two most common issues landlords encountered with letting properties.

Residents and businesses agreed that Landlords and agents should be responsible for maintaining the outside areas of their properties in a good condition, taking action against nuisance and anti-social tenants, and ensuring properties are safe.

26% of private tenants and 53% of owner occupiers had witnessed poor housing conditions in the private rented sector, which may demonstrate a difference in the

level of acceptable standards to each group. 18% of private tenants felt their home was not well maintained. The differences between experiences of these groups may be due to different standards each group are willing to accept

42% of residents had witnessed antisocial behaviour with similar results in Thurcroft and Parkgate.

Licensing conditions

Although landlords were generally not in favour of the licence conditions, there have been no comments on the alternatives they would like to see. Neither did this feature in the detailed representations made by landlord representative organisations.

A number of adjustments to the current conditions are considered necessary due to practical and legal considerations. The Supreme Court judgement (Brown v Hyndburn Borough Council, 2018) prohibits the imposition of discretionary conditions on Selective Licences relating to the safety of property, as these matters are effectively dealt with under primary legislation (Part 1 of the Housing Act 2004) and due to the wording of the Selective Licensing provisions relating to the management of property. This is worded differently than the mandatory House in Multiple Occupation licensing regime under the same Act. The current Licensing Conditions have therefore been reviewed to remove safety related conditions which are not mandatory conditions required by legislation. Although this impacts predominantly on the condition requiring landlords to have an Electrical Safety Certificate in place, the Government have already announced in July 2018 that all rented properties will be required to have suitable electrical certification but no date for its implementation has yet been given¹. Safety of electrical systems can until then be dealt with effectively under the provisions of Part 1 of the Act during the initial and any subsequent formal inspections.

In addition to this, a number of conditions were introduced in 2015 under the current live designations, which were included due to their apparent usefulness at other local authorities, however they have been found to be of little use in practice, causing some confusion for landlords and tenants or duplicating other activity leading to inefficiencies. These are listed in the Appendix 3 with the reasons for their removal.

Licence Fees

Landlord respondents disagreed with the proposed fee structure. The costs of licensing in addition to other cost increases they face nationally was raised as a concern by landlords, who feared they may need to increase rents to pay for licensing.

¹ Government consultation response <https://www.gov.uk/government/consultations/electrical-safety-in-the-private-rented-sector>

Landlords wanted to see more flexibility and recognition of the work that responsible and professional landlords already do.

Comments and written representations

The additional comments made in the responses were generally consistent, with key themes emerging. These are grouped into the following categories Private landlords need to manage tenants and property better,

- Anti-social behaviour and crime is bringing the areas down,
- Some businesses and landlords felt there was not a problem at all,
- Some respondents felt that the social rented sector could do more to control their tenants
- Some respondents thought that the Council was trying to make money from the scheme

The written representations outside of the consultation questionnaire raised contained the following concerns.

- The Council should use alternative approaches, coordination of services and tackling criminal landlords
- Concerns about unintended outcomes
- Support for landlords and tenants
- A concern about the data supporting the proposals

Appendix 4 contains the representations and the summary of the response to those concerns.

At the Parkgate drop in session a landlord and a resident both identified an area which had been excluded from the initial selective licensing proposals for Parkgate. This street and group of properties is of a similar nature and type to the rest of the housing within the initial proposed licensing area. As such the proposed boundary has been adjusted, as can be seen in Appendix 1.

8. Summary of Consultation Responses

The overall survey results reflect the fact that 287 residents, 54 landlords, 25 businesses or others responded to the consultation. With 78% of respondents, residents outnumber landlords by over five to one. Most landlords who responded disagreed with the proposals with 65% against overall. Landlords also felt that selective licensing would not result in the suggested benefits of selective licensing.

In contrast, residents and businesses both had a much more positive response with 68% in agreement overall. Owner occupiers were the most supportive group of residents and comprised almost half of the respondents. Private tenants had more mixed views about the proposals with many being uncertain about whether they would benefit them, which may reflect concerns about increased rents. There were few businesses taking part in the consultation but their views were broadly in line with those of residents.

Residents expressed their concerns about environmental issues, high crime and antisocial behaviour and poor housing conditions, which are key reasons behind the proposed selective licensing. Landlords did not see these as problems in the area, in many cases this could reflect the fact that they don't live in the two areas.