

ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET

1.	Meeting:	Improving Places Select Commission
2.	Date:	Wednesday 23rd July 2014
3.	Title:	Private Rented Housing - Selective Licensing
4.	Directorate:	Neighbourhoods and Adult Services

5. Summary

Further to the report of the 19th March 2014, the public consultation on proposals to introduce Selective Licensing closed on 24th March 2014, after the statutory 10 weeks. This report provides detail of the consultation feedback (in which over 2/3rds of residents expressed support for a mandatory selective licensing scheme), and makes recommendations based on the responses, comments and representations made.

6. Recommendations

It is recommended that the Cabinet:

- 6.1 Accepts that there is strong evidence and public opinion to support the introduction of Selective Licensing.
- 6.2 Decide to introduce either a mandatory selective licensing scheme or the alternative proposal advocated by a range of landlords for a voluntary scheme. In taking this decision Cabinet should consider Department for Communities and Local Government guidance which stipulates that when considering the introduction of selective licensing, the Council must also consider whether there are any other courses of action available to them that might provide an effective method of achieving the objectives that the designation would be intended to achieve
- 6.3 If the Cabinet chooses to introduce a voluntary scheme, it should reflect the conditions in paragraph 7.4.1 and Appendix 3 of the report and, in particular, require:-
 - 6.3.1 The start of the voluntary local scheme, together with a performance and delivery plan agreed between the scheme organisers and, on behalf of the Council, the Director of Housing & Neighbourhood Services, be in place no later than 3 months after today's decision, and
 - 6.3.2 The effectiveness of the scheme to address the low housing demand in the identified areas to be monitored over the next eighteen months and a report to be presented to Cabinet of the findings.
- 6.4 If the Cabinet chooses to introduce a mandatory scheme or the condition 6.3.1 above is not met, a report detailing proposals as per Option 2 for the early introduction of Selective Licensing to be brought to Cabinet.
- 6.5 If the voluntary scheme does not meet the specified performance requirements during the review period, a further report be presented to Cabinet requesting authority to progress re-consideration of Selective Licensing.

7.0 Proposals and Details

7.1. Background

In November 2013 Cabinet resolved to undertake a public consultation concerning the use of Housing Act powers to introduce a private rented sector selective licensing scheme in certain areas of the Borough. This report presents the findings of the consultation and presents an options appraisal in relation to the proposals in the business case.

Since that time the consultation has been carried out and a further interim report presented to Cabinet on the 19th March 2014. In addition, a presentation covering the Private Rented Sector (PRS) was made to the Improving Places Select Commission on the 26th March, and, this also addressed the position regarding the progress of the selective licensing proposals.

The proposals consulted upon were that Selective Licensing designations under the Housing Act 2004 should be introduced in three areas:

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

Selective licensing has been used in other parts of the country. The general objectives of selective licensing schemes are to:

- Ensure private rented properties meet minimum condition standards
- Help to reduce tenancy turnover which will in turn help to achieve more stable and better cared for communities.
- Reduce the rates of empty properties through the promotion of the areas for both the buying and letting of residential property.
- Help to reduce crime and Anti-Social Behaviour (ASB) by promoting community stability and tenancy management.

In a designated area all privately rented properties within the identified boundary (subject to statutory exemptions) must be licenced for up to 5 years from the date the designation takes effect.

The business case also showed that the anticipated maximum cost of a licence in Rotherham would be £687 for the 5 year period, with some proposed reductions for accredited landlords and for single payments.

7.2. Consultation process

The consultation process represented a genuine intention on behalf of the Council to canvass broad opinion on the proposals, and a genuine intention to listen and react to what is said as a result.

The consultation process was described in the report of the 19th March 2014 and included the following:

- *A dedicated consultation website*
- *The web page contains an on-line questionnaire.*
- *A consultation questionnaire and a summary of the proposals was sent to every postal address in the proposed designation areas as well as streets immediately adjacent to the areas, covering 15,597 addresses.*

- *Emails and letters to local landlords and national associations*, and a number of constructive meetings have consequently been held.
- *Drop-in sessions* were arranged in each area to enable local people and landlords to find out more about the proposals based on the summary they had been sent in the post. The programme of the drop-ins was curtailed however each proposed licencing area did have a drop in session held locally.
- Meetings of *tenant and resident associations* in the proposed areas, other groups and the parish council liaison meeting were attended to present the proposals.
- The *Rotherham and District Residential Landlord Association* hosted a meeting for the proposals to be presented to their members and for landlords to find out more.
- Promotion of the consultation through *social media and press releases*.

7.3 Consultation Response

7.3.1 There was a relatively high response to the consultation with 1,755 questionnaires completed. Approximately 1,500 of those were paper questionnaire returns with a further 10% being done on line. There were more than 450 individual comments in those questionnaires and in other correspondence. There have also been a number of representations made by national organisations including the National Landlords Association and the Residential Landlords Association. **Appendix 1** presents, from the questionnaires, detail from the consultation returns.

A snapshot of the results showed **71% of the respondents were in favour of the proposals**, with the vast majority of those in support being residents.

Of the respondents, **1,536 were residents, 148 were landlords and 44 were local businesses**. Where a respondent indicated that their background agreed with more than one category their responses were counted for each category. Therefore, if a landlord had said they were an owner occupier, landlord and a local business owner, they would have had all their responses counted three times. The position, therefore, in summary is:

	Yes	No	No response	Yes	No	No response
Business	21	22	1	48%	50%	2%
Landlord	18	124	6	12%	84%	4%
Resident	1072	437	54	69%	28%	3%

Table 1 – Answers to question 7 on the questionnaire: Do you agree with the Council's proposal to introduce selective licencing in this area?

This data has been broken down in this way to demonstrate the opinions of the cross section of respondents due to the overwhelmingly large response from residents and a smaller response from landlords. A similar pattern was found for each of the geographic areas covered by the proposed scheme.

Residents and local businesses tended to agree with the following questions, while landlords had the converse view in relation to the same questions:

- Question 1 - The value of residential properties in these areas are lower than other similar areas of Rotherham
- Question 3 - There is a high turnover of tenants in the area
- Question 5 - Anti-social behaviour is a problem within the area

- Question 6 - The Council should intervene in areas suffering from low housing demand

Residents and landlords had similar views on the rental values of property (Question 2), with only 48% of residents and 30% of landlords agreeing that it was cheaper to rent property in the proposed Selective Licensing areas than in other areas of Rotherham.

While 66% of residents and 73% of local businesses thought that long term empty properties were contributing to a decline of the area (Question 4), only 48% of landlords agreed.

7.3.2 Some of the qualitative issues raised were consistent across the groups. These include:

- **Responsibility**; landlords need to take more responsibility for the management of their property and the local neighbourhood
- **Cost**; there is a concern predominantly from landlords, that the licensing fee per property is too much. Also that, expecting payment upfront, would severely affect landlords businesses.
- **Geography**; two opinions were expressed. Firstly, it was viewed by some to be unfair not to include all privately rented housing in the Borough. Whilst, in some of the mapped areas, it was expressed that not all the streets should be included (see below).
- **Council & partner activity**; a view was expressed that all powers available to the enforcing agencies have not been used. Some people suggest landlords are being unfairly criticised as they cannot always influence the behaviour of their tenants
- **Mandatory requirement**; arising predominantly from the landlords questionnaires there is a disagreement that all landlords should be treated the same. It suggested any scheme should recognise good management practices and focus on those landlords that do not adhere to such practices. Voluntary agreements are suggested as an alternative to selective licensing.
- **Housing market**; a number of people expressed the fear that a selective licensing scheme would have adverse consequences. These could include increasing insurance costs, driving down house prices and could negatively influence decisions by some financial institutions to provide “buy to let” mortgages. This negative impact is influenced by the perception of the scheme being based on high ASB levels.
- **Compliance**; there is inadequate capacity within the Council to enforce the scheme. Consequently, that a scheme where landlords played a stronger role would be more deliverable.

In relation to the issues raised around the geography of an area, there were large numbers of comments and three petitions received relating to streets which should be excluded from a Selective Licensing Scheme. These included:

- **White City Estate in Maltby**: was suggested for exclusion due to good management standards by the landlords who owned larger number of properties in that area, low rates of empty properties and their knowledge of low rates of turnover in the properties which they own.
- **Blyth Road area in Maltby, Moorgate and Broom Valley Road areas in the central Rotherham (Petition), Fenton Fields area in Bradgate and New Road and**

Swinston Hill Road areas of Dinnington: have been suggested for exclusion due to the nature and value of the property and there is little risk of displacement of problems into these areas.

- **Ferham Road area in Masbrough:** A petition was received requesting that these streets are excluded from any designations.

7.4 Option Appraisal

7.4.1 Option 1 – Landlord led Voluntary Quality Landlord Scheme

Guidance relating to Selective Licensing makes clear that realistic alternatives should be sought to a mandatory scheme in the first instance. To not do so could potentially run the risk of judicial review. This is a credible option that has arisen out of the consultation process.

This option allows the local PRS landlords with support from national landlord organisations to lead on the development of an alternative borough wide quality landlord registration scheme, in partnership with the Council and other local landlord/letting agent based organisations, in order to meet similar objectives as set out in the Selective Licensing business case.

The voluntary scheme will be marketed initially in the five geographic areas targeted for Selective Licensing with the intention of the scheme offering a positive contribution towards making predominantly private rented areas more attractive by creating more stable tenancies. The scheme's NLA representative has stated that they can expect a take-up in the identified priority areas that would match, within the first year of operation, the Council's Selective Licensing scheme targets i.e. 50% of the licensable properties. However, to ensure that the scheme is on target to meet this expected take-up, a target of 25% take-up within 6 months of operation has been included. The scheme would also attract interest from landlords with private rented properties outside of these areas.

All of the enforcement benefits of the licensing scheme cannot be replicated by the voluntary scheme; however the voluntary scheme could enable membership conditions to be managed through a number of routes. A gap analysis has been undertaken and is presented at **Appendix 2** which shows the benefits anticipated and those which can be delivered by both a mandatory and the proposed voluntary scheme.

Monitoring and, an agreed review process, will ensure that an improvement in take-up and standards will be achieved on a year by year basis. This would result in reduced turnover and empty properties and offering support, through referencing and tenancy support, to landlords to deal with anti-social behaviour (ASB) issues. **Appendix 3** provides the performance suite of critical success factors required to show the effective delivery of the scheme.

Some features of the scheme include:

- Administration of the scheme by a third party who will create a web based product, to offer appropriate access to landlord members, tenants and the Council, with data protection measures created.
- Individual Charters, covering private rented sector relevant topics such as ASB, overcrowding, eviction, etc., will be agreed between the scheme administrator and the Council, which landlords will follow as guidance.
- Protection of the health & safety of tenants; All properties will be inspected to the Housing Health and Safety Rating System (HHSRS) standard and landlords advised on how to remove Category 1 & 2 hazards, through the scheme. A

voluntary scheme will offer an opportunity to all participating landlords to improve their standards of management and property condition through the offer of education and support.

Initial membership would require a HHSRS and defect inspection to be carried out by a third party (probably the landlord's letting agent or another independent company), annual reviews of documentation and safety certificates for all members and random sample inspections by the administrators of a percentage of member property. Information on complaints about member properties would also be used to inform the administrators where there may be breaches of membership conditions, in addition to enforcement action taken by the Council.

Where complaints are received by the Council about a property, officers will check for membership of the scheme to enable efficient contact and liaison with the landlord and managing agent. The Council has a statutory duty to investigate all service requests and to take enforcement action where Category 1 Hazards exist. It also has a power to take action where Category 2 Hazards exist. Under the current Enforcement Policy these hazards are dealt with in an identical way as there is a crossover of hazards and a benefit to ensuring consistent enforcement approaches wherever hazards exist.

It is planned, if this option is supported, for the Enforcement Policy to be amended (and to take on the new national Regulator's Code) to allow members of the scheme (either the landlord or the managing agent), to benefit from a more staged approach to enforcement whereby, when Council inspections have identified **only** Category 2 hazards (and that is considered that an appropriate and justified approach to enforcement), the scheme administrators will be advised and they will ensure improvement with the identified works. Any lack of response to reasonable requests for information from the landlord/agent, lack of response to enquiries or letters will affect this judgement.

Copies of HHSRS inspections required and held by the scheme administrators along with annual document and membership reviews would be expected to be available on demand.

- The scheme is anticipated to cost less per property than the mandatory Licensing scheme. This is because the Licensing scheme carries with it a requirement to collect and analyse property and management information which is staff resource intensive.
- The scheme will be a lighter touch assessment of the property by the scheme administrator with an emphasis on maximising membership and influence rather than enforcement.

This voluntary option will require close monitoring and regular reviews to ensure that the indicators of low housing demand are met and that improvements continue to be made within the PRS. The criteria for recognising the success of the scheme would be reliant upon the delivery of the performance framework at Appendix 3. Key elements include:

1. The scheme is to be constituted and operational from 15th October and will tackle the indicators of low housing demand through a set of property conditions and checks on property and letting standards, agreed with the Director of Housing and Neighbourhood Services prior to operation;

2. In the identified areas where low housing demand is currently most prevalent, the scheme must reach an agreed level of membership within 12 months (specified in Appendix 3) of implementation and, thereafter, the scheme will be reviewed annually;
3. Ensuring that there are agreed data sharing protocols in place and maintained between the scheme and the Council to aid efficient and effective communication and enforcement by the Council and landlords where required.
4. The scheme has made an agreed and suitable impact upon the indicators of low housing demand within the priority areas within 4 years (as assessed against criteria identified in Appendix 3).

Reviews of the scheme, based on the schedule detailed above, will be presented to Cabinet on an annual basis. Should the review indicate that the scheme has been unsuccessful; an updated business case for Selective Licensing will be offered for consideration.

If the voluntary scheme is not operational by the 15th October 2014 the Cabinet will further consider implementation of a Selective Licensing scheme based upon the current consultation.

7.4.2 Option 2 – Cabinet agree to designate areas for selective licensing.

The results of the consultation demonstrate that residents are overwhelmingly in favour of the introduction of a Selective Licensing Scheme. However, as with all regulatory activity, the emphasis is on a proportionate and measured approach to enforcement. The comparative benefits of the Selective Licensing and voluntary schemes are detailed in appendix 2 and it is believed that with the co-operation of the landlords the benefits of the mandatory scheme can be achieved via the voluntary route. This would satisfy the requirements of the residents to have safe and well-maintained properties and address the problems of low housing demand.

Therefore whilst the Selective Licensing Scheme had support, it is recommended that this option should not be pursued currently, to enable the operation of the voluntary scheme to be evaluated.

If it was determined to follow this option a further report by August 2014 with final recommendations on the Selective Licensing areas and the structure of the proposed scheme would be provided to Cabinet.

This further report would be the final report to designate the areas for selective licensing before a final decision by the full Council.

7.4.3 Option 3 – No further action

The option of “no further action” has also been considered. However, due to the evidence related to low demand within the target areas, the significant level of concern showed by the public on this matter and the overwhelmingly positive response to the proposals it is an option that is not recommended. The Cabinet has previously agreed that there is a business case to support Selective Licensing of privately rented property and the consultation has agreed with that viewpoint.

8. Finance

The consultation costs have been discussed in previous reports.

Details of the introduction of a Selective Licensing scheme provided by Option 2 will require a re-modelling of the financial plan to accommodate anticipated variation in geographical boundaries previously suggested. This would be addressed in the further report to Cabinet, if required.

The resource required by the Council to work with the landlords to support the introduction of a voluntary scheme will be drawn from existing Housing and Neighbourhood Services revenue budgets.

There is the potential for ICT investment to be required to enable effective sharing of data between the Council and any third party scheme operator, which cannot yet be estimated.

9. Risks and Uncertainties

Option 1 – Landlord Led Voluntary Quality Landlord Scheme

The option does not reflect the positive consultative response from 2/3rds of private households who were in favour of a mandatory selective licensing scheme. However, as it is anticipated that the benefits of the mandatory scheme can largely be achieved by the voluntary route, the required outcomes of the consultation can still be met.

The option is voluntary. Previous attempts at voluntary accreditation schemes have not received sufficient take-up and have therefore been unsuccessful. Voluntary schemes do not oblige the landlords, who need to improve their tenancy and property management, to join and they are able to avoid any further obligations unless they are detected through routine enforcement methods. Take up of the scheme may be outside the areas identified for priority attention by the selective licensing scheme.

There is a risk that this option once in operation may fail to meet the success factors required and a mandatory Selective Licensing scheme would be required. This would require intensive resource to re-examine and present a business case ahead of a further consultative process. This would cause significant delay.

Option 2 – Selective Licensing

Legally it is required that Councils, before they implement any selective licensing scheme, must have considered any other course of action that might provide an effective method of achieving the objectives that such a scheme would bring. This may include, as recommended in Option 1, voluntary measures such as accreditation and give the opportunity for local landlords to prove that they are committed to ensuring the quality of the private housing rental sector. Such a voluntary scheme does bring a set of standards relating to the management or physical condition of privately rented accommodation and, in that, it does recognise and reward landlords who manage their properties to a good standard. It does not bring however a mandatory test of a landlord being a fit and proper person to be the license holder.

It is considered that landlords will be more receptive to complying with a voluntary scheme than the mandatory scheme. This will ease in transition from there being no monitoring of the standards of private rented accommodation.

The selective licensing scheme does not include the enforcement function and as such the necessary compliance inspections and associated legal action would impact on the existing enforcement team in the Community Protection Unit (estimated to be 2fte of current

resourcing) and consequential legal support from Legal Services. Therefore, the introduction of selective licensing could have service implications that reduce service performance in those teams, which are already operating below staffing establishment.

If Option 1 was not proceeded with, a prompt report will be required to Cabinet to ensure that decisions were made whilst the Business Case and the consultation process was still current and relevant. Delay in this reporting would require a new round of consultation to be carried out to ensure validity of decision.

Option 3 – No Further Action

The risks of doing nothing are:

- The gap in our most deprived neighbourhoods continues to widen
- We are unable to sustain current levels of resources that are deployed in a reactive way to resolve private rented sector issues
- Empty properties blight neighbourhoods negatively affecting the local housing market

These risks can be mitigated by introducing the interventions described in Option 1 or 2

Legal Risks -

As the consultation demonstrated that there is support for both Options 1 and 2 the possibility of a legal challenge, should either option be chosen, exists.

10. Policy and Performance Agenda Implications

Improving the Private Rented Sector housing in Rotherham has a positive impact on helping to narrow the gap in our most deprived neighbourhoods and is a commitment in Rotherham's Housing Strategy, namely.;

- Commitment 2: We will increase and improve the supply of affordable rented housing
- Commitment 6: We will help people to access the support they need
- Commitment 7: We will help people in Rotherham's most disadvantaged communities

The objectives of the consultation proposal are consistent with aims of the Council's Housing Strategy and Homelessness Strategy.

Driving up standards in the private rented sector will also contribute to tackling Anti-Social Behaviour which is a key priority and set out in the RMBC Corporate Plan

- ***helping to create safe and healthy communities, and***
- ***ensuring people feel safe where they live, particularly that Anti-Social behaviour and crime is reduced and people from different backgrounds get on well together.***

In particular improving housing standards in this sector will contribute in ensuring that;

- People feel safe where they live
- ASB and crime is reduced
- Our streets are cleaner

Through the effective use of Council resources, in this case CPU and Legal staff resources and, in conjunction with other regenerative initiatives, the Council is delivering much needed improvements in the private rented sector and offering a viable alternative to social affordable housing which is in great demand and so demonstrating value for money.

Ensuring access to housing is as fair as possible will contribute to two of the priorities of Rotherham Partnerships Community Strategy;

- Ensure the best start in life for children and families, and
- Support those that are vulnerable within our communities

11. Background Papers and Consultation

Cabinet, Minute No.131, Business Case to consider the Selective Licensing of Private Rented Accommodation in Rotherham; 27th November, 2013

Cabinet, Minute No.216, Interim Report in respect of Selective Licensing Consultation; 19th March 2014

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Consultation Outcomes – Questionnaire Responses Summary

The detailed analysis by area and the responses to all the survey questions is available on the Council's website at www.rotherham.gov.uk/landlordlicensing

Overall Responses

There were 1,755 responses received from businesses, landlords (including letting agents) and residents. The overall analysis looked at the 7 key questions that were asked in the survey.

Seven key questions examined in the overall analysis are provided below, together with a summary of the returns :

1. The value of residential properties in this area is lower than the other similar areas of Rotherham.

Total number who responded to this question was 1755, overall 1050 agreed and 585 disagreed and there were 120 who did not respond. The respondents breakdown is as follows :

	Agree	Disagree	No response	Agree	Disagree	No response
Business	28	14	2	64%	32%	5%
Landlord	52	88	8	35%	59%	5%
Resident	970	483	110	62%	31%	7%

Half the business respondents agreed that the value of properties in the selected areas was lower than that of similar properties in other areas. Close to 2/3^{rds} of landlords disagreed & 2/3^{rds} of residents agreed.

2. It is cheaper to rent properties in this area, compared to other similar areas of Rotherham

Total number who responded to this question was 1755, overall 829 agreed and 714 disagreed and there were 212 who did not respond. The respondents breakdown is as follows:

	Agree	Disagree	No response	Agree	Disagree	No response
Business	26	16	2	59%	36%	5%
Landlord	45	93	10	30%	63%	7%
Resident	758	605	200	48%	39%	13%

Nearly two thirds of business respondents agreed. This contrasted with landlords response which showed two thirds disagreed. Just over half the residents surveyed agreed.

3. There is a high turnover of tenants in this area.

Total number who responded to this question was 1755, overall 993 agreed and 590 disagreed and there were 172 who did not respond. The respondents breakdown is as follows :

	Agree	Disagree	No response	Agree	Disagree	No response
Business	26	15	3	59%	34%	7%
Landlord	36	96	16	24%	65%	11%
Resident	931	479	153	60%	31%	10%

Nearly two thirds of residents and businesses agreed that there is a high turnover of tenants in their area. This contrasted with the landlord response which shows two thirds disagree.

4. Long-term empty properties are contributing to the decline of the area

Total number who responded to this question was 1755, overall 1134 agreed and 517 disagreed and there were 104 who did not respond. The respondents breakdown is as follows :

	Agree	Disagree	No response	Agree	Disagree	No response
Business	32	10	2	73%	23%	5%
Landlord	71	67	10	48%	45%	7%
Resident	1031	440	92	66%	28%	6%

Two thirds of residents and businesses agreed that long term empty properties are a contributory factor to the decline of the area. The landlord response was more or less equal with 48% agreeing and 45% disagreeing.

5. Anti-social behaviour is a problem within the area.

Total number of respondents was 1755. Overall 1064 agreed and 575 disagreed, 116 did not respond. The breakdown is as follows:

	Agree	Disagree	No response	Agree	Disagree	No response
Business	32	8	4	73%	18%	9%
Landlord	52	82	14	35%	55%	9%
Resident	980	485	98	63%	31%	6%

Two thirds of businesses and residents agreed that anti-social behaviour was a problem in their area with just over half of the landlords disagreeing.

6. The Council should intervene in areas suffering from low housing demand.

Total number of respondents was 1755. Overall 1188 agreed and 396 disagreed, 171 did not respond. The breakdown is as follows:

	Agree	Disagree	No response	Agree	Disagree	No response
Business	27	12	5	61%	27%	11%
Landlord	60	74	14	41%	50%	9%
Resident	1101	310	152	70%	20%	10%

Nearly two thirds of businesses and 70% of residents agreed that the Council should intervene in areas suffering from low housing demand. Most of the landlords disagreed, however a significant number (41%) did actually agree.

7. Do you agree with the Council's proposal to introduce selective licensing in this area?

Total number of respondents was 1755. Overall 1111 agreed, 583 disagreed and 61 no responses. The breakdown is as follows :

	Yes	No	No response	Yes	No	No response
Business	21	22	1	48%	50%	2%
Landlord	18	124	6	12%	84%	4%
Resident	1072	437	54	69%	28%	3%

The business response is split down the middle with more or less an equal number for and against the proposal to introduce a selective licensing scheme. Just over two thirds of residents agree. The landlord response is clear with 84% who responded to this question not in favour of the scheme.

Summary of overall analysis to the 7 key questions.

It is important to note that there was an average of 136 landlords, 41 businesses and 1440 residents responding to this consultation. In most cases the landlord response was to generally disagree, however question 4 and 6 returned a pretty even response. The most overwhelming negative response from landlords was to disagree to the council's proposal to introduce a selective licensing scheme which returned a response of 84% against. It is also interesting to note the landlord response to questions 4 and 6. Whilst 40% of landlords think the council should take action in areas of low housing demand only 12% agree with bringing in selective licensing, however resident responses to these questions are similar.

In contrast the businesses and residents both had a lot of consensus in their response. Both returned a majority vote to generally agree with 6 of the key questions. The majority of residents are in favour of the introduction of the selective licensing scheme whereas the businesses returned a response of 21 and 22 for and against.

Equality monitoring summary of overall analysis

Do you consider yourself to be disabled ?

A total number of 1596 respondents answered this question and 20% declared they had a disability with 71% who did not. There were 159 people who did not respond.

	Number	Percentage
Yes	346	20%
No	1250	71%
No response	159	9%
Grand Total	1755	

What is your age ?

A total number of 1600 respondents answered this question with the majority of people falling into the 45 – 65 or older category. There were 155 people who did not respond.

	Number	Percentage
Under 25	35	2%
25 to 34	180	10%
35 to 44	237	14%
45 to 54	344	20%
55 to 64	350	20%
65 or older	454	26%
No response	155	9%
Grand Total	1755	

How would you describe your ethnic origin ?

A total number of 1459 respondents answered this question. The majority of respondents declared themselves as White British (1315, 74.9%). The second largest group was Asian or Asian British Pakistani (5.1%) followed by Other White Background in third with 3%. It is worth noting that 2% of respondents declared themselves as Asian or Asian British Kashmiri. Many within this group

sometimes refer to themselves as Pakistani or Kashmiri. There were 148 respondents who did not respond.

	Number	Percentage
Asian or Asian British Bangladeshi	2	0.1%
Asian or Asian British Indian	15	0.9%
Asian or Asian British Kashmiri	35	2.0%
Asian or Asian British Pakistani	89	5.1%
Black or British Black African	11	0.6%
Chinese	4	0.2%
Decline to answer	46	2.6%
Dual Heritage Asian and White	1	0.1%
Dual Heritage Black Caribbean and White	2	0.1%
Gypsy/Roma	3	0.2%
Irish Traveller	1	0.1%
Other Asian background	12	0.7%
Other Black Background	2	0.1%
Other Dual Heritage	1	0.1%
Other Ethnic Background	3	0.2%
Other Gypsy or Traveller Background	2	0.1%
Other White Background	53	3.0%
White British	1315	74.9%
White Irish	7	0.4%
Yemeni	3	0.2%
No response	148	8.4%
Grand Total	1607	

Please indicate if you are from the following EU accession Countries:

A total number of 41 people responded to this question with 18 people (1%) coming from Slovakia followed by 0.6% (11) coming from Poland. In total 2.3% of all respondents came from an EU accession state.

	Number	Percentage
Bulgaria	1	0.1%
Czech Republic	4	0.2%
Hungary	1	0.1%
Lithuania	5	0.3%
Poland	11	0.6%
Romania	1	0.1%
Slovakia	18	1.0%
No response	1714	97.7%
Grand Total	1755	

Appraisal of the benefits and differences of Selective Licensing scheme and a voluntary scheme

Some Benefits proposed by Schemes	Provided for by Selective Licensing Proposals	Suggested to be available under a Voluntary Scheme	Mitigation of Risk
Legal requirement to register, with criminal penalties for failure.	✓	✗	<ul style="list-style-type: none"> • Effective promotion of the scheme, highlighting the benefits offered, will be undertaken on a regular basis. • Landlords who are not members of the voluntary scheme will be informed as to how to apply to the scheme. • Landlords found to be acting irresponsibly, in addition to appropriate enforcement action, will be advised to become a member of the scheme. • Landlords who do not wish to apply to the scheme will have their standard of management and property scrutinised.
Enforced maintenance of membership.	✓	✗	
Enables all licensable property to be identified and checked.	✓	✗	
Interim management orders for failure to Licence/register.	✓	✗	
Borough-wide Scheme	✗	✓	
Requirement to have written Tenancy Agreements	✓	✓	
Legal requirement on landlord to take action over ASB.	✓	✗	An ASB Charter, produced jointly by the Council and the Scheme Administrator, will effectively manage issues of an ASB nature. New ASB powers strengthen responsibility
Fit and Proper person declarations for licence holders/members.	✓	✗	As a requirement of the voluntary scheme, landlords will verify that they have no criminal convictions.
Licensing/Registration pre-inspection by HHSRS qualified person.	✓	✓	
Legal requirement to remedy defects found in pre-inspection.	✓	✗	The scheme will advise landlords on how to remedy defects found following inspection
Gas, electricity and equipment safety checks.	✓	✓	
Set conditions and standards for properties.	✓	✓	
Management standard conditions to licence/membership.	✓	✓	
Landlord Liaison function provided by the scheme administrator.	✓	✓	
Lighter touch regulation and lower costs in response to Accredited members.	✓	✓	
Database of membership held by the Council.	✓	✗	Access offered to the Council, as and when required, through an agreed data sharing protocol.
Scheme membership details available for Council enforcement staff to enable faster contact with landlords.	✓	✓	

Voluntary PRS Scheme; Success Measures

Scheme Element	Anticipated target	By when
Introduction of scheme	100%	15/10/14
Take-up of properties in Selective Licensing priority areas (and elsewhere in the Borough)	100% of table below	Scheduled in table below
Take-up of properties outside of SL areas	25%	31/10/15
HHSRS inspections carried out and retained for all properties on the scheme	100%	Ongoing
Random sample (10%) of inspected properties	100%	Quarterly
Respond to service requests raised by RMBC	100%	Ongoing
Record and advise on resolving Category 1 & 2 hazards	100%	Ongoing
Collation of safety certificates	100%	Ongoing
Introduction of charters/guidance documents e.g. ASB, overcrowding, eviction	100%	31/03/15
Follow-up of landlords failing entry onto the scheme	100%	Ongoing
Review of 1 st years activity	100%	31/10/15

Take Up Rates for Voluntary Scheme

Scheme	Take up in prioritised SL areas	Take-up outside of SL areas	Projected Borough wide inclusion
6 months	25% (c. 500 properties)	0	4% (c. 500 properties)
Year 1	50% (c. 1,000 properties)	25% (c. 3,000 properties)	29% (c. 4,000 properties)
Year 2	70% (c. 1,400 properties)	30% (c. 3,600 properties)	36% (c. 5,000 properties)
Year 3	80% (c. 1,600 properties)	35% (c. 4,200 properties)	41% (c. 5,800 properties)
Year 4	90% (c. 1,800 properties)	40% (c. 4,800 properties)	47% (c. 6,600 properties)
Year 5	95% (c. 1,900 properties)	50% (c. 6,000 properties)	56% (c. 7,900 properties)

The following indicators are to be monitored on a monthly/annual basis

- 1. Number of landlords on the scheme**
 - With rented properties within the 5 targeted areas
 - With rented properties outside of the 5 targeted areas
- 2. Number of properties being administered through the scheme**
 - within the 5 targeted areas
 - outside of the 5 targeted areas
- 3. Recording of retained and refused membership after 6 months, 1 year, 2 years, 3 years, etc. Fall out rates and expulsions**
- 4. Provision of landlord details to the Council for follow-up**
- 5. Anticipated drop-out from scheme; 5-10% acceptable inside/outside of targeted areas. Report any expulsions.**

APPENDIX 3 - continued**6. Performance of scheme**

- Number of properties inspected to HHSRS. Random verification sample of 10% by the Council to be carried out. Acknowledge that landlords with hazards in a property will ensure that other properties don't have the same CAT1
 - Properties found to be free from hazards
 - Properties found to have hazards (Cat 1 &/or Cat 2)
 - Hazards removed following inspection
 - Enforcement notice issued following inspection

7. Number of incidents (tenant requests/complaints) received through the scheme

- Those incidents dealt with without LA intervention
- Incidents dealt with needing LA intervention

8. Number of investigations by Council of sub-standard housing conditions brought by tenant service requests made direct to Council

- Number of service requests
- Number of inspections
- Number of Housing Act interventions ("warning letter" and notices)

9. Assured Shorthold Tenancies (AST) offered to tenants - Random sample of tenancy management element

- Number of tenants renting the property for over 6 months, 1 year, 2 years, etc. since the introduction of the scheme
- Number of tenants leaving the property and for what reason (tenant satisfaction survey)

10. Homelessness

- Number of tenants, offered a tenancy whilst the property is on the scheme, who would have been statutorily homeless if no accommodation was offered
- Properties available for offering up to homelessness clients - properties to be inspected prior to occupation

11. Empty properties

- Show a reduction of empty properties, on a super output area level, in those areas where there is an average/above average amount of prs accommodation
- Landlords/tenants will report empty properties - number of empty properties reported

12. Anti-social behaviour (ASB)

- Show a reduction in the level of ASB in those areas where there is an average/above average amount of prs accommodation
- Landlords/tenants - creating ASB - expulsion from scheme and action taken

13. Marketing

- Positive marketing, whether direct or otherwise, undertaken throughout the year - KPI's to be determined and marketing plan agreed
- Referrals made to the scheme via;
 - Existing members
 - LA
 - Other partners/third sector agencies