

Committee Name and Date of Committee Meeting

Cabinet – 20 November 2023

Report Title

Cabinet's Response to Scrutiny Review Recommendations – Impact of Selective Licensing

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Paul Woodcock, Strategic Director of Regeneration and Environment

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Ward(s) Affected

Rawmarsh East

Rotherham East

Rotherham West

Maltby East

Dinnington

Thurcroft and Wickersley South

Report Summary

Under the Overview and Scrutiny procedure rules, the Cabinet is required to respond to any recommendations made by Scrutiny. This report is submitted to meet that requirement, and to set out the next steps in terms of delivery of the current Selective Licence Declarations.

This report provides the proposed response to the recommendations of the scrutiny review into the impact of the selective licensing scheme in Rotherham at its halfway point, initially brought before Cabinet in September 2023.

Recommendations

1. That the Cabinet response to the Scrutiny Review Recommendations in respect of Impact of Selective Licensing, as set out in section 2 of this report, be approved.

Appendix 1

List of Appendices Included

Appendix 1 Selective Licensing Feedback Survey (2023)

Appendix 2 Equalities Screening Impact Assessment

Appendix 3 Carbon and Climate Change Assessment

Background Papers

[Scrutiny Review Recommendations – Impact of Selective Licensing](#)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Overview and Scrutiny Management Board

Council Approval Required

No

Exempt from the Press and Public

No

Cabinet's Response to Scrutiny Review Recommendations – Impact of Selective Licensing

1. Background

- 1.1 The Improving Places Select Commission supports the Council in achieving its Council Plan 2022-25 themes of Every Neighbourhood Thriving and People are Safe, Healthy and Live Well. Members of Improving Places Select Commission had concerns about living conditions and absentee landlords in specific areas of deprivation. These concerns led to a Scrutiny Review of the impact of the selective licensing scheme in place from 2020-2025. The review considered the current response to deprivation and housing conditions in specific residential areas of Parkgate, Thurcroft, Maltby, Dinnington, Eastwood/Town centre and Masbrough.
- 1.2 On 18 September 2023 Cabinet received a report 'Scrutiny Review Recommendations – Impact of Selective Licensing.' The report gave a detailed account of the current scheme outlining its strengths and weaknesses. The report identified four key risk factors to the success of the scheme:
- 1) pandemic-related delays,
 - 2) a shortage of experienced inspectors,
 - 3) a rising cost of living
 - 4) 4) complexity of measuring impact on deprivation

2. Key Issues

- 2.1 'Scrutiny Review Recommendations – Impact of Selective Licensing,' made 8 recommendations. This Report recommends that all 8 recommendations are accepted, however a number will be considered as part of any future designations. The table overleaf details the suggested individual responses.

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	Recommendation	Cabinet Decision (Accepted/ Rejected/ Deferred)	Cabinet Response (detailing proposed action if accepted, rationale for rejection, and why and when issue will be reconsidered if deferred)	Accountability	Target date for completion (if applicable)
1.	That the following recommendations from the review be received: a) That reinspection be prioritised for landlords whose properties have required action previously.	Accepted	Outstanding inspections are to be reviewed and prioritised by historic knowledge of the property, landlord and their current levels of compliance with legally required certification. This process will remain live for the remainder of the Scheme, updated, and informed by any new intelligence from partners or changing circumstances.	Emma Ellis Head Of Service – Community Safety and Regulatory Services	Ongoing for remainder of Declarations
	b) Consideration be given to how the Council may support retention of experienced inspectors already in the Council's employment.	Accepted	A training and development plan will be implemented within the service to seek to improve development of skills and retention of officers. This will be aligned to the revised Service Planning process and will therefore be implemented ahead of the start of the next financial year.	Emma Ellis Head Of Service – Community Safety and Regulatory Services	March 2024
	c) That consideration be given to incentivising responsible landlords, and, where there is a proven track record, empowering landlords to self-assess, provided that	Accepted	The current selective licensing scheme operates within set parameters, which are contained within the designations. The existing selective licensing scheme offers an incentive for those licence holders who prove to have well maintained and managed	Emma Ellis Head Of Service – Community Safety and	March 2024 with other aspects to be considered as part of

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	<p>the service can still obtain assurances that decent standards are maintained.</p>		<p>properties to the minimum legal standard. Good licence holders receive of a rebate of £127 against the total license cost of £521.</p> <p>The audit process which supports the rebate initiative, prevents self-assessment within this scheme however consideration will be given in any future schemes.</p> <p>The rebate scheme does identify landlords who are acting responsibly, and this may offer a way to work with these landlords in the future to assist the Council to make use of their service/properties to meet the Council's private sector housing need i.e. resettlement/migration or homelessness programmes. There is also process under consideration within the enforcement aspect of the scheme, where offenders may opt to attend training to offset some of their liability for the more minor offences and reduce financial penalties. The aim is to incentivise the professionalisation of landlords who may offend due to ignorance of the market in which they operate.</p>	<p>Regulatory Services</p>	<p>any future scheme</p>
	<p>d) That consideration be given to managing expectations around selective licensing as a measure focused on the health of residents, rather than aesthetics or regeneration.</p>	<p>Accepted</p>	<p>A briefing note to be prepared for senior officers and a presentation to Members, to explain the measure around the current scheme which emphasises the health / housing outcomes and explain the limitations of the current scheme regarding deprivation figures or area regeneration. Progress in wider regeneration / deprivation agenda would require a much broader approach and commitment.</p> <p>This same message will be progressed with stakeholders via the housing newsletter, Ward newsletter and landlord forums.</p>	<p>Emma Ellis Head Of Service – Community Safety and Regulatory Services</p>	<p>April 2024</p>

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	e) That consideration be given to how uptake of the cost-of-living support offer among families in selective licensing areas may be further promoted and monitored, with a view to identifying gaps and promoting financial inclusion.	Accepted	The Service will work with other Council and VCS services to identify gaps and promote financial inclusion.	Emma Ellis Head Of Service – Community Safety and Regulatory Services	January 2024
	f) Given the complexity of measuring impact on deprivation and difficulty in improving relative levels of deprivation, that consideration be given to how internal measures may better reflect the real impact of the scheme.	Accepted	Work has been undertaken with the Corporate Performance team to consider wider data sets aside from pure deprivation to better demonstrate outcomes which can be measured.	Emma Ellis Head Of Service – Community Safety and Regulatory Services	December 2023
	g) That a joined-up approach be sought with relevant Council strategies and services, with partner and voluntary sector organisations and with resident-led initiatives prior to	Accepted	Efforts will be made in the design of any new initiative with the private housing sector to include a more defined links to wider council, partner and 3 rd sector involvement. The Government's latest (June 2023) <u>selective licensing guidance</u> identifies selective licensing is not a tool that can be used in isolation and, therefore, any 'new' application the Council will have to show how such a designation will be part of	Emma Ellis Head Of Service – Community Safety and Regulatory Services	To be considered as part of any future scheme

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	any future selective licensing declaration.		<p>the overall strategic local authority wide approach, and how it fits with existing policies on:</p> <ul style="list-style-type: none"> • Homelessness • empty homes • regeneration • anti-social behaviour associated with privately renting tenants 		
	h) That engagement with landlords and with tenants be considered alongside any response to the above recommendations, and that the response to the above recommendations be subject to the learning derived from continued engagement with landlords and tenants.	Accepted	The most recent landlord and tenant survey discussed during the scrutiny process, has now been reported. There were no comments which would detract from or amend the recommendations above. Future engagement work via Landlord forums, newsletter and stakeholder surveys will inform the operation of the remaining years of the scheme and will be considered in conjunction with the recommendations made here.	Emma Ellis Head Of Service – Community Safety and Regulatory Services	Ongoing for remainder of Declarations

3. Options considered and recommended proposal

- 3.1 The recommendations and corresponding actions are focussed on improving the output from the existing selective licensing declarations. They have considered the progress at the halfway point of the scheme and provide support to its ultimate delivery. They also provide guidance to any future designations or similar.

4. Consultation on proposal

- 4.1 The scrutiny review considered and agreed that ongoing engagement activity, aimed at both Licence holders and residents, within the selective licensing areas would provide additional feedback to inform the services response to their recommendations.
- 4.2 The engagement took the form of an online survey for tenants that was shared on the Council's social media platforms with a link for tenants to complete. The link was also shared on the latest edition of the Rotherham Round-Up Newsletter going to 9,277 residents, internally via Monday Round-Up and in relevant ward newsletters.
- 4.3 A separate online survey was devised for Landlords which was sent out to all private landlords and managing agents, involved in the declarations, a total of 1,140 individual addresses. The landlord survey was also publicised at the Landlord Forum in January 2023 and in the Landlords newsletter which is circulated to all landlords on the database. The survey ran from 1 February 2023 to 28 February 2023.
- 4.4 The surveys received 20 responses in total (13 from Landlords and 7 from Tenants). Whilst it is acknowledged the number are low, the key results are summarised below, and the full report can be found at Appendix 1. The service will continue to engage stakeholders affected by the scheme and will conduct another survey next year.
- 4.5 Of the 13 landlord / licence holder responses, 5 (38%) Landlords strongly support the strong enforcement on license holders who fail to maintain standards which impact on their tenants and wider area whilst, an equal number, 5 (38%) seriously oppose (3 responded neutral). Of the 5 that strongly oppose, the main reasons were around issues with Anti-Social Behaviour (ASB), litter and rat infestations in their areas. The overall feedback regarding the single main action to help improve the area was more police patrols of the area, tackling ASB and issues around litter. Most landlords do not support the Selective Licensing Scheme however one landlord did state that they felt it was "an excellent way to enforce high standards of rental properties and scrutiny of rogue landlords". Out of the 13 responses, 11 (85%) landlords have stated that they will continue letting their properties in the next six months.
- 4.6 The majority of responses received from tenants showed that they were aware of the scheme, which began in May 2020, and over 70% of those have lived in their current property for more than five years. 43% of the tenant responses stated that they didn't feel like their landlord provides a good property and good

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service. 28% preferred not to say and the reasoning behind these responses was fear they will get evicted. Majority of tenants felt that they could afford to pay their rent, but they are struggling to pay their bills. Tenants general feedback was that they would like the Council to give more support to people who are homeless and tackle criminal and anti-social behaviours. The feedback has been considered in the services response to the scrutiny recommendations.

5. Timetable and Accountability for Implementing this Decision

- 5.1 The Assistant Director of Community Safety and Street Scene alongside the Head of Community Safety and Regulatory Services are accountable for implementing the decision.
- 5.2 The timetable for implementing the recommended actions is set out in section 2.

6. Financial and Procurement Advice and Implications

- 6.1 The costs of implementing the scheme specific recommendations will initially be met from Selective Licence fee income. The wider staffing recommendations will require funding from within the approved revenue budget for this Service.
- 6.2 A business plan is being considered by management in regard to purchasing additional inspections to support the realignment of staff to address the current deficit in inspections numbers. (Recommendation a & b).
- 6.3 There are no direct procurement implications arising from this report.

7. Legal Advice and Implications

- 7.1 A periodic review of the operation of a selective licensing scheme must be carried out by the local authority with a view as to whether the scheme should continue or be revoked (section 84(3) of the Housing Act 2004). Although this review is for the purposes of scrutiny it also assists with compliance with the legislation

8. Human Resources Advice and Implications

- 8.1 The implications in relation to the recommendation for supporting the retention of experienced inspectors are outlined within appendix 1.

9. Implications for Children and Young People and Vulnerable Adults

- 9.1 The scheme supports families in the private rented sector and therefore improvements in conditions will have a positive impact on the families concerned.

10. Equalities and Human Rights Advice and Implications

10.1 An assessment has been carried out in Appendix 2. There are no equalities or human rights implications from this report.

11. Implications for CO2 Emissions and Climate Change

11.1 An assessment has been carried out in Appendix 3. The overall impact of improving the repair of dwelling is likely to have a positive emissions impact.

12. Implications for Partners

12.1. Recommendation 'd' and feedback from the Selective Licensing Feedback Survey (2023), will require further communication and a co-ordinated with Police. This will be achieved via work within the existing Neighbourhood Partnership teams.

13. Risks and Mitigation

13.1 Failure to deliver initial inspections and any subsequent enforcement work in the selective licensing designations, will carry a significant risk to residents that poor housing and associated health related issues will not be addresses.

13.2 Any similar failure to inspect, after collecting licence fees from landlords in the designations, is likely to have a significant impact on the Councils reputation and may have financial implications in the equitable and management of the distribution of the rebate element of the scheme.

13.3 A source of additional income has been identified in the Business case before DLT, which is difficult to quantify at this stage, but is expected to partially offset the costs of purchasing addition inspections.

13.4 Failure to improve staff retention, recommendation b, will seriously affect the council's ability to deliver its statutory duties under the Housing Act 2004 and other associated legislation.

14. Accountable Officers

Emma Ellis, Head of Community Safety and Regulatory Services

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Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	Sharon Kemp	06/11/23
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	01/11/23
Assistant Director, Legal Services (Monitoring Officer)	Phil Horsfield	01/11/23

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