



## North Devon Council

Report Date: Monday, 4 November 2024

Topic: Feasibility of Introducing Selective Licensing into a Designated Area or Areas within North Devon

Report by: Head of PMO & Environmental Health & Housing

### 1. INTRODUCTION

- 1.1. The government values the private rented sector (PRS) and wants to see a strong, healthy and vibrant market. Its aim is a PRS that offers a greater security of tenure and safer, higher quality homes for renters.
- 1.2. The government is keen to ensure that the sector is encouraged to meet, in a professional way and with decent quality accommodation, the demands placed upon it by the housing needs of the wide range of tenants it services
- 1.3. Selective licensing is a tool which can ensure residents have access to safe, healthy homes, improving overall community conditions and health outcomes. These efforts collectively aim to create safer neighbourhoods, better access to homes, more welcoming communities, and improved living conditions and property management.
- 1.4. The Council wish to establish if Selective Licensing Schemes (SLSs) may be an appropriate tool that would give them the power to make private rented homes better for people to live in. Any scheme, if deemed appropriate, would make it mandatory for landlords to have licenses for each of their private rented properties within a designated area, and it would require landlords to meet a minimum standard of accommodation for residents.
- 1.5. The council is considering selective licensing which can be implemented if the area is experiencing:
  - Low housing demand (or likely to become such an area) and/or;
  - A significant and persistent problem caused by anti-social behaviour;
  - Poor housing conditions;
  - High levels of migration;
  - High levels of deprivation; and
  - High levels of crime.
- 1.6. Stage One Evidence: The purpose of this report is to gain approval to gather and commission evidence across those issues set out in 1.5 to establish if there is a strong case for Selective Licensing. If the evidence supports this the Council must also identify other measures they plan to introduce or continue.
- 1.7. Stage Two Consultation: Local residents, landlords, tenants, and any other person likely to be affected by the selective licensing designation, must be consulted with prior to the introduction of a licensing scheme.

- 1.8. Stage Three General Approval: Local authorities would be required to obtain confirmation from the Secretary of State (SoS) for any Selective Licensing scheme which would cover more than 20% of their geographic area; or would affect more than 20% of privately rented homes in the North Devon area. Any proposal less than this would not require SoS approval.

## 2. RECOMMENDATIONS

- 2.1. That Members approve Stage One Evidence set out at 1.6, enabling officers and external support to research and evidence the areas of: low housing demand; anti-social behaviour; poor housing conditions; high levels of migration; high levels of deprivation; and high levels of crime.
- 2.2. If the evidence gathered suggests moving to Stage Two Consultation set out at 1.7, the council must also decide what other measures it will take, along with other partners and stakeholders, to mitigate or eliminate those identified problems aligned to our Housing Strategy. That suite of measures will enable the aims of any potential scheme to be achieved.
- 2.3. That a report returns to this Committee setting out those evidence based findings, additional measures, and with a recommendation as to whether to move to Stage two consultation, or not.

## 3. REASONS FOR RECOMMENDATIONS

- 3.1. To record that Members support this approach.
- 3.2. To recognise that Selective Licensing is not a tool that can be used in isolation.
- 3.3. To provide a gateway to Stage Two, or not, subject to the findings of 2.1 and 2.2.

## 4. REPORT

- 4.1. Government guidance on Selective Licensing issued in June 2023 states that the Government values the private rented sector and wants to see a strong, healthy and vibrant market. Its aim is a private rented sector that offers a greater security of tenure and safer, higher quality homes for renters. The government is keen to ensure that the sector is encouraged to meet, in a professional way and with decent quality accommodation, the demands placed upon it by the housing needs of the wide range of tenants it services. It strongly supports voluntary arrangements such as accreditation and landlords' forums.
- 4.2. Twenty percent of Councils in England (approximately 70) have introduced a SLS, which include Blackpool, Bristol, Peterborough and Nottingham.
- 4.3. Currently local authorities have powers to introduce selective licensing of privately rented homes in order to tackle problems in their areas, or any part of parts of them caused by:
  1. Low housing demand (or is likely to become such an area) and/or;
  2. A significant and persistent problems caused by anti-social behaviour;

3. Poor housing conditions;
  4. High levels of deprivation;
  5. High levels of crime.
- 4.4. The latest Census results show that 20.4% of households in North Devon privately rent.
- 4.5. Local residents, landlords, tenants, any other person likely to be affected by the selective licensing scheme must be consulted prior to the introduction of a licensing scheme. Landlords who rent out properties in an area that is subject to selective licensing are required to obtain a license from the local authority for each of their properties.
- 4.6. With effect from 1 April 2015, a General Approval came into force. Local authorities are required to obtain confirmation from the Secretary of State for any selective licensing scheme which would cover more than 20% of their geographical area or would affect more than 20% of privately rented homes in the local authority area. Additional criteria for making a designation were also added which include experiencing poor housing conditions, an influx of migration, a high level of deprivation or high levels of crime. Together these rules enable local authorities to put in place effective licensing schemes to address specific problems arising in particular areas.
- 4.7. Before proposing a designation and embarking on a consultation, the local housing authority must identify the problems affecting the area to which the designation will apply and provide evidence to demonstrate the existence of the problems. It must also decide what other measures they will take along with other stakeholders to mitigate or eliminate those problems, enabling the aims of the scheme to be achieved. It should be noted that in making a selective licensing designation, the local housing authority must also take other measures to help address the problems. A scheme cannot be proposed unless those other measures are to be introduced (or continued).
- 4.8. This report is seeking authority for officers to gather any evidence to show possible justification for a Selective Licensing scheme. The intention will be to bring a further report to members once that evidence has been gathered setting out the next steps.

## 5. RESOURCE IMPLICATIONS

5.1. Any data gathering to support this feasibility study will be provided within existing budgets.

## 6. EQUALITIES ASSESSMENT

6.1. This report seeks to gain approval to determine if there is sufficient evidence to consider Selective Licensing in North Devon, so at this stage in the process no negative or positive impact.

## 7. ENVIRONMENTAL ASSESSMENT

7.1. There are no environmental implications from carrying out this feasibility stage.

## 8. CORPORATE PRIORITIES

8.1. What impact, positive or negative, does the subject of this report have on:

- 8.1.1. The commercialisation agenda:
- 8.1.2. Improving customer focus and/or
- 8.1.3. Regeneration or economic development
- 8.1.4. None at the evidence gathering stage.

## 9. CONSTITUTIONAL CONTEXT

9.1. The decision in respect of the recommendations in this report can be made by this Committee pursuant to delegated powers provided in Part 3 Annexe 1 paragraph 1 of the Constitution.

## 10. STATEMENT OF CONFIDENTIALITY

This report contains no confidential information or exempt information under the provisions of Schedule 12A of 1972 Act.

## 11. BACKGROUND PAPERS

The following background papers were used in the preparation of this report:

[The Selective Licensing of Houses \(Specified Exemptions\) \(England\) Order 2006.](#)

[Section 85 \(1\)\(a\) of the Housing Act 2004.](#)

[Selective licensing general approval 2015](#)

[Part 3, section 80 of the Housing 2004.](#)

[Section 80 \(3\) of the Housing Act 2004.](#)

[Section 80 \(6\) of the Housing Act 2004.](#)

[Article 4 of the Selective Licensing of Houses \(Additional Conditions\) \(England\) Order 2015.](#)

[Article 5 of the Selective Licensing of Houses \(Additional Conditions\) \(England\) Order 2015.](#)

[Article 6 of the Selective Licensing of Houses \(Additional Conditions\) \(England\) Order 2015.](#) ↩

[Article 7 of the Selective Licensing of Houses \(Additional Conditions\) \(England\) Order 2015.](#)



[Article 3 \(1\)\(a\) of the Selective Licensing of Houses \(Additional Conditions\) \(England\) Order 2015.](#)

[English Housing Survey 2019/2020.](#)

(The background papers are available for inspection and kept by the author of the report).

## 12. STATEMENT OF INTERNAL ADVICE

The author Head of PMO & Environmental Health & Housing Confirms that advice has been taken from all appropriate Councillors and Officers:

Councillor David Clayton	Leader of the Council
Council G Bell	Lead Member for Housing
Ken Miles	Chief Executive
Jon Triggs	Director of Resources and Deputy Chief Executive
Sarahjane Mackenzie-Shapland	Head of Place, Property & Regeneration
Adam Tape	Head of Governance
Sarah Higgins	Head of Customer Focus
Simon Fuller	Senior Solicitor & Monitoring Officer
Wendy Slate	Lead Private Sector Housing