

CABINET

MINUTES AND DECISION RECORD

18 SEPTEMBER 2012

The meeting commenced at 9.30 am in the Civic Centre, Hartlepool

Present:

The Mayor, Stuart Drummond - In the Chair

Councillors: Cath Hill (Children's and Community Services Portfolio Holder)
John Lauderdale (Adults and Public Health Services Portfolio Holder)
Paul Thompson (Finance and Corporate Services Portfolio Holder)

Officers: Nicola Bailey, Acting Chief Executive
Chris Little, Chief Finance Officer
Peter Devlin, Chief Solicitor
Dave Stubbs, Director of Regeneration and Neighbourhoods
John Mennear, Assistant Director, Community Services
Louise Wallace, Director of Public Health
Julian Heward, Public Relations Officer
David Cosgrove, Democratic Services Team

66. Apologies for Absence

Peter Bowes, Helen Lamb, John Maddison, Alby Pattison and Malcolm Walker – Mayor's Community Advisory Panel.

67. Declarations of interest by Members

None.

68. Minutes of the meeting held on 3 September 2012

Confirmed.

69. Selective Licensing *(Director of Regeneration and Neighbourhoods)*

Type of decision

Key Decision (tests i & ii apply). Forward Plan Reference No. 20/12

Purpose of report

To provide members with an evaluation of the existing Selective Licensing

scheme in order to consider how effective the scheme has been in contributing to the reduction of anti-social behaviour and low demand. Based on this information members are also asked to consider whether to proceed with a formal proposal to introduce an additional designation for further areas of the town.

Issue(s) for consideration by Cabinet

The Director of Regeneration and Neighbourhoods reported that current Selective Licensing designation within Hartlepool covers six areas of the town with the aims of the scheme being to;

- address low demand in the designated areas
- contribute to reducing anti social behaviour
- assist to sustain neighbourhoods and communities
- raise and improve the profile of private rented accommodation
- improve the quality of the stock of privately rented housing
- improve access to good quality affordable housing
- improve management standards of privately rented housing
- contribute to the regeneration of the designated area

It was important to note that although the current designation remained in force until April 2014, licences granted during this period were usually valid for 5 years, and were therefore enforceable well beyond the actual end of the scheme.

The Selective Licensing Steering Group, established to direct the current and future activity of Selective Licensing, received regular scheme evaluation reports based on the original baseline information provided when the scheme had been given approval by the Secretary of State. A summary of this evaluation information for each of the 6 existing areas is set out in detail within the report. The early indications from the evaluation of the scheme would appear to show that, together with other complementary initiatives, Selective Licensing was having a positive impact in Hartlepool.

The Director also drew Cabinet's attention to the mini reorganisation the management of Housing Services underwent in May 2011 when staffing resource for the Selective Licensing scheme was relocated to the Housing Options Centre. This was done in order to address a number of concerns which had emerged in relation to the overall management and implementation of the scheme, as previously detailed in the previous Cabinet report of September 2011.

This relocation was also an opportunity to refocus all 'Landlord/Tenant' housing issues to a 'first stop shop' approach to the Housing Options Centre. Following this relocation all relevant policies and procedures have been reviewed and updated and clear guidelines for all aspects of the licensing process developed which can now easily be replicated should it be agreed to extend licensing into further areas of town.

In partnership with Housing Hartlepool the Council were also progressing

with the implementation of an Empty Homes Pilot Scheme providing an incentive approach to bringing empty homes back into use. Work was currently underway to refurbish and re-let 19 properties across the town including several within the licensing areas.

When the current Selective Licensing scheme was implemented by Hartlepool Borough Council in May 2009, under the Housing Act 2004, there was a legal requirement to submit a detailed submission document to the Department of Communities and Local Government (DCLG) before the designation could be approved by the Secretary of State.

Following a change to the legislation in April 2010 local authorities could now approve the introduction of a Selective Licensing scheme, under what is known as a 'general consent' regime. This new regime does not free local authorities from providing evidence for their schemes or from any of the other legislative requirements. Indeed, failure to meet the statutory requirements could result in local authorities facing a costly judicial review. Examples of this and other local authority selective licensing schemes were set out in the report for Cabinet's information.

Before a local authority can approve the introduction of a designated area for Selective Licensing there are two main key areas of activity which must be carried out to ensure compliance with the legislation, these are:

- (i) Carrying out an extensive consultation exercise, for a minimum period of ten weeks, of all those persons who are likely to be affected by the proposal, which includes elected members, residents, local businesses, landlords, community groups, stakeholders and partners.
- (ii) Assessing the feasibility of the scheme, this involves researching and collating evidence for inclusion in a comprehensive business case report, which must then be considered by elected members prior to a decision being made.

A detailed list of all the streets previously put forward for consideration for Selective Licensing were set out in Appendix 2 to the report. These areas were identified by mapping all complaints of anti social behaviour received by both the Police and the Council's Anti Social Behaviour Unit, all complaints relating to property condition reported to the Council's Private Sector Housing Team. A rough line was then drawn around each cluster of mapping points to put forward the proposed streets. Closer examination of each of these streets is now underway in order to determine the following;

- The percentage of private rented properties within each street
- The number of relevant anti social behaviour complaints involving private sector tenancies
- The number of private sector housing complaints – used as an indicator of poor management standards
- The number of long-term (over 6 months) empty properties within each

street - used as an indicator of low demand if higher than the town average.

- The sales volume and values within each street over the last three years – used as indicator of low demand if values fall below the town average.

The total number of residential properties within each of these streets was 3056 and based on our current knowledge of tenure make up 997 private sector tenancies would be potentially licensable. This was almost double the numbers originally estimated for the existing designation and needed to be much further refined to ensure that there is clear evidence of anti social behaviour and/or low demand in each of the proposed streets that could be linked to private sector tenancies. Without such robust evidence there was significant risk that any proposal could be challenged by judicial review.

The Mayor indicated that he did not consider that the report provided a full assessment of the effectiveness of the current selective licensing as there was no direct feedback from residents and landlords involved. While there had been a drop in the levels of anti-social behaviour in the licensing area, the number of recorded issues had fallen across the whole town and could be said to be down to neighbourhood policing rather than the licensing regime.

Other Cabinet members referred to specific issues in areas such as Cornwall Street and the negativity that was created within areas that were suffering from empty properties. The council's scheme for the purchasing of empty properties needed to reach the areas where it could alleviate these issues. Linking with Housing Hartlepool to put good tenants in these properties would lead to an uplift in the areas in a very short time.

The Mayor considered that some intensive consultation work in the current areas needed to be completed before moving on to new areas. It would be ideal if there was a 'flag ship' area to highlight how the scheme had had a positive effect when consulting in new areas. In the current situation, the Mayor believed and consultation in the existing areas with residents and landlords would only be negative.

Cabinet discussed the issues in some detail expressing its wish to see the selective licensing process make a difference to those elements of the community that were struggling with the blight of empty properties and anti-social behaviour and landlords difficulties with negative equity. The changes to benefits and government proposals for planning were also highlighted.

The Director indicated that there had been a change in the housing market, reflected in the recent Tees Valley Strategic Housing Assessment, with demand for terraced properties as first homes increasing. The policy of buying and improving empty properties would include some reselling of properties both to create income back to the fund and a mix of tenure.

In concluding, the Mayor recognised the Director's view that not to commence the consultation could lead to a delay in introducing new licensing areas, should Members decide to pursue that option. However, the Mayor indicated that he would wish to see further detailed consultation carried out with the residents and landlords in the existing selective licensing areas alongside that to provide the evidence base that the Mayor considered was missing from the current evaluation. In terms of the proposal for a temporary Licensing Officer to be employed funded from the new licensing areas, Cabinet indicated that the post should not be created until further decisions on the new areas had been made.

Decision

That Cabinet notes the reported evaluation of the current designated Selective Licensing areas and authorises the Director of Regeneration and Neighbourhoods to;

1. Refine the proposed areas to include only those streets where there is evidence of;
 - (i) Anti-social behaviour linked to private sector tenancies
 - (ii) Low demand (sale values, empties, turnover)
 - (ii) Higher proportion of private rented properties within the street (over 25%)
2. Carry out a thorough consultation as prescribed by guidance.
3. Report the outcome of the consultation and refinement of the proposed areas back to Cabinet with a timetable for implementation should approval be agreed.
4. Carry out further detailed consultation with landlords and residents in the current selective licensing areas in tandem with the consultation proposed above to be reported back in the same timescale.

The meeting concluded at 10.15 a.m.

P J DEVLIN

CHIEF SOLICITOR

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