

# **Proposed Selective Licensing Scheme for Hastings & St Leonards**

**Report for Hastings Borough Council**

**March 2015**

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# 1. Introduction

- 1.1 Hastings has had a private rented sector (PRS) larger than the national average for many years. However, the last decade has seen significant growth of the PRS in Hastings from 19% in 2001 to 29% in 2011<sup>1</sup> with nearly 12,000 households now renting privately. This has largely been at the expense of owner-occupation, which has fallen from 64% to 55% over the same period. Significantly, in ten of the Borough's sixteen wards the PRS exceeds both the national (16.8%) and regional averages (16.3%) for the sector; and in three wards (Castle, Central St Leonards and Gensing) the PRS exceeds 50% of all households.
- 1.2 A well managed PRS has an important role to play in providing choice and meeting the Borough's housing need. However, the generally short term nature of private tenancies also brings with it concerns about the impact on communities when the sector gets out of balance and especially when privately rented properties are not well managed. Too often poorly managed properties result in unacceptable levels of anti-social behaviour, which can be damaging to local neighbourhoods if not dealt with. In Hastings the evidence suggests that higher levels of anti-social behaviour occur where renting is concentrated within the town. Within the privately rented areas there are also concerns about housing conditions and standards. These are generally poorer in the PRS as evidenced by the recent house condition survey<sup>2</sup>, which showed that 49% of privately rented dwellings failed to meet the decent homes standard.
- 1.3 The Hastings Housing Strategy<sup>3</sup> aims to provide 'decent high quality, affordable and secure homes for the people of Hastings & St Leonards'. An important priority within the strategy is to improve and make best use of the existing housing stock. To help achieve this the strategy is underpinned by a range of actions including advice, financial assistance, enforcement, a particular emphasis on regenerating Central St Leonards, bringing long term empty homes back into use and delivering demonstrable improvements to private rented homes through the use of licensing schemes.
- 1.4 Preventing and reducing homelessness is a key priority within the Housing Strategy; it is also the main aim of the Homelessness Strategy 2013-2015<sup>4</sup>. Improving access to good quality, well managed accommodation in the private rented sector is one of three strategic priorities underpinning the Homelessness Strategy and actions proposed to help deliver this include:
- Improved joint working and support for private landlords
  - Tackling Rogue Landlords as part of the Shelter campaign

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<sup>1</sup> Census 2001 & Census 2011

<sup>2</sup> Hastings Private Sector House Condition Survey 2008

<sup>3</sup> Hastings & St Leonards Housing Strategy 2009-2013

<sup>4</sup> Hastings & St Leonards Homelessness Strategy 2013-2015

- Improving the condition of accommodation
- Addressing standards of management
- Licensing Houses in Multiple Occupation (HMO)
- Possible Selective licensing in the private rented sector
- Addressing financial barriers to accessing accommodation
- Ensuring people have support to sustain tenancies
- Exploring opportunities for developing a Local Lettings Agency

- 1.5 The Council (HBC) has already established an Additional Licensing scheme for Houses in Multiple occupation (HMOs) in four town centre wards with a high concentration of HMOs, to complement mandatory HMO licensing. This helps address management issues affecting whole buildings, e.g. fire safety and common parts but cannot deal with any issues concerning individual flats within HMOs, or indeed other self-contained dwellings not in HMOs. Survey estimates suggest that HMOs contain in excess of 7,000 individual privately rented dwellings. Census data indicates that there are nearly a further 5,000 privately rented homes not in HMOs. To address this, HBC has adopted a corporate priority for 2014/15<sup>5</sup> - 'to build on the success of the existing HMO licensing schemes and publicly consult on proposals to introduce Selective Licensing of all privately rented property in specified areas of the town where there is evidence to support its introduction'.
- 1.6 Working together to tackle crime and ASB in Hastings is the number one priority for the Safer Hastings Partnership, which includes HBC, Sussex Police and a number of other statutory partners and local organisations. Over the past decade the partnership has helped bring recorded levels of crime in the town down from 12,000 to around 6,500.
- 1.7 This report provides a summary of the legal framework concerning discretionary licensing, a review of evidence relevant to designating a Selective Licensing scheme in Hastings, the outcome of the formal consultation about a possible scheme, changes proposed as a result of the consultation and a recommended way forward for consideration by HBC Cabinet members.

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<sup>5</sup> HBC Corporate Plan 2014/15 - Part 2

## **2. Licensing the Private Rented Sector**

2.1 The legal framework of discretionary powers for licensing the private rented sector is set out at Appendix 1. It specifically excludes social rented homes owned by Registered Providers and/or Registered Social Landlords. There are two types of scheme: Selective Licensing of private rented homes occupied by single households and Additional Licensing of HMOs. If there is sufficient evidence to support introducing a scheme, the Council can do so across the whole, part, or parts of the Borough. Secretary of State approval is not required to make a designation. It is for local authorities to determine whether or not they meet the legislative requirements for introducing a discretionary licensing scheme. However, authorities do need to base their decision-making on appropriate and robust evidence as well as ensuring that they meet all legislative requirements. Failure to do so could result in the very real threat of judicial review. The key evidential requirements for the different schemes are summarised below.

### **Selective Licensing**

2.2 For a selective licensing scheme the local authority must show that the proposed area is suffering from, or at risk of, low demand or is experiencing persistent or significant anti-social behaviour. Here the evidence may include the following data for the proposed area, compared with other areas nearby:

- House prices and rents are lower
- Turnover of house sales and tenancies
- Number of empty properties
- ASB incidents, showing a greater proportion arising from private rented housing
- Noise complaints
- Dumped rubbish and graffiti

### **Low Housing Demand**

2.3 A recent judicial review concerning the designation of a Selective Licensing scheme in Thanet at Margate concluded that the test for low demand was 'whether there is a demand for housing in the area by a range of persons, for a variety of housing tenures, who wish to remain there for a substantial period'. This suggests that it is open to a Council to demonstrate that the low value of residential premises in an area, the high turnover of properties, the high proportion of rental property and the poor condition of properties when compared to other areas is sufficient to justify low demand.

2.4 Consequently, a review was carried out comparing the data on house prices and property transactions in Hastings with other similar coastal authorities and this concluded it is difficult to argue that the whole town is experiencing low housing demand. The review also looked at information on house prices and property transactions in Hastings by ward, together with ward data on empty homes and turnover of

residents. This concluded that although there was uncertainty about the position in some wards, the evidence overall was not robust enough to justify a Selective Licensing designation on the grounds of low housing demand.

### ***Anti-Social Behaviour***

2.5 Designation of a Selective Licensing scheme on the grounds of anti-social behaviour (ASB) is governed by section 80(6) of the Housing Act 2004 (the Act) as follows:

- (a) that the area is experiencing a significant and persistent problem caused by anti-social behaviour;
- (b) that some or all of the private sector landlords who have let premises in the area (whether under leases or licences) are failing to take action to combat the problem that it would be appropriate for them to take; and
- (c) that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, lead to a reduction in, or the elimination of, the problem.

2.6 For the purpose of discretionary licensing section 57 of the Act defines anti-social behaviour as:

Conduct on the part of occupiers, or visitors to, residential premises:

- a) which causes or is likely to cause a nuisance or annoyance to persons residing, visiting, or otherwise engaged in lawful activities in the vicinity of such premises, or
- b) which involves or is likely to involve the use of such premises for illegal purposes.

This is the definition of anti-social behaviour that must be used, even though there are alternatives set out in other pieces of legislation.

2.7 Government guidance indicates that an area can be deemed to be suffering from significant and persistent anti-social behaviour if it suffers from:

**Crime:** tenants not respecting the property in which they live and engaging in vandalism, criminal damage, burglary, robbery/theft and car crime.

**Nuisance Neighbours:** intimidation and harassment; noise, rowdy and nuisance behaviour; animal related problems; vehicle related nuisance. Tenants engaged in begging; anti-social drinking; street prostitution and kerb crawling; dealing in and cultivation of drugs; and street drugs market within the curtilage of the property.

**Environmental Crime:** tenants engaged in graffiti and fly-posting; fly-tipping; litter and waste; nuisance vehicles; drugs paraphernalia; fireworks misuse in and around the curtilage for their property.

2.8 Following a review of evidence from Sussex Police and HBC's own records, it is concluded that there are grounds for designating a Selective Licensing scheme in parts of the town that are experiencing a significant and persistent problem caused by anti-social behaviour and some or all private sector landlords in the areas are not taking



appropriate action to combat the problem. This report sets the issue of ASB in the context of a growing PRS and presents the evidence supporting the need for a designation in chapter 5.

### **Additional Licensing**

2.9 For an additional licensing scheme the local authority must show that the types of HMOs to be licensed in that area are being poorly managed and causing problems for others. A significant number of these HMOs would not come under the mandatory licensing scheme. The evidence may also show that there is a high level of migrant workers or students in the area and/or that the population is transient relative to other areas. Useful data may include:

- Complaints received about housing conditions in HMOs
- Category 1 hazards in HMOs
- Known cases of overcrowding in HMOs
- ASB incidents in the area relative to other areas
- Noise complaints in the area relative to other areas

2.10 In September 2011, the Council introduced an Additional Licensing scheme for HMOs in the four town centre wards of Braybrooke, Castle, Central St Leonards and Gensing, which together contain an estimated 85% of HMOs (approximately 2,000) not governed by the mandatory HMO licensing regime. The remaining 15% (approximately 360 HMOs) are spread across the town's other 12 wards and it is not considered appropriate to extend the Additional Licensing scheme to cover all wards as to do so would not meet legislative requirements.

### **Other Issues**

2.11 Introducing discretionary licensing must be consistent with the council's overall housing strategy and there must be a co-ordinated approach for dealing with homelessness, empty properties and anti-social behaviour. Before making a designation the Council must have considered whether there are any other courses of action available that might achieve the objectives that licensing is intended to achieve. The council must also consider that discretionary licensing will significantly assist the achievement of the objectives of making the scheme.

2.12 The council must also take reasonable steps to consult persons who are likely to be affected by the designation, for a period of not less than ten weeks, and consider any representations made in accordance with the consultation.

### **Advice on operating Selective Licensing and Additional Licensing schemes in the same geographical area**

2.13 As HBC already has an Additional Licensing scheme for HMOs running in the four town centre wards, independent legal advice was obtained to establish whether there was any reason why it should not designate a Selective Licensing scheme covering an area that includes the existing Additional Licensing scheme. The reason for seeking this clarification was that Additional Licensing is concerned with securing

the effective management of the whole HMO, primarily the external fabric of the building and the common parts, rather than individual flats. Selective Licensing, however, is concerned with securing appropriate management standards for individual private rented dwellings whether they are in an HMO or a separate house.

- 2.14 The legal advice received, provided confirmation that there is no legal bar to the Council introducing Selective Licensing in addition to the existing Additional Licensing scheme in the Council's area, subject to compliance with the substantive tests and procedural steps contained in Part 3 of the Housing Act 2004.
- 2.15 Many of the HMOs in Hastings are classed as section 257 HMOs, meaning that the conversion did not meet the standards of the 1991 Building Regulations and more than one third of the flats are let on short term private rented tenancies. Where the proportion of owner-occupied dwellings is greater than two thirds this will mean that the rented flats are excluded from licensing under the Additional Licensing scheme for HMOs. The legal advice also addressed this point and confirmed that an individual flat within a section 257 HMO can be licensable under Selective Licensing. This is subject to certain provisos. Firstly, the individual flat must not itself be an HMO (i.e. a self-contained flat in multiple occupation within s.254(3) Housing Act 2004). Secondly, the individual flat must satisfy the requirements of s.79 Housing Act 2004. In particular, the whole of it must be occupied under a non-exempt tenancy or licence.

### 3. Hastings & St Leonards - Housing in Context

- 3.1 Hastings and St Leonards faces a wide variety of very significant and complex challenges. Access to decent housing not only affects individual households, but also impacts upon the wider community.
- 3.2 Hastings is surrounded on all land bound sides by neighbouring Rother District. Housing issues that are common to many of the coastal towns in the region are acutely felt in Hastings and St Leonards. In the main these issues relate to:
- The poor supply of affordable housing suitable for a range of needs and consequential issues of homelessness.
  - The relatively large and poor quality private rented housing sector.
  - A large disparity between house prices and income ratios, making access to home ownership difficult for those on modest incomes.
- 3.3 Hastings is a town of contrasts. It has a beautiful coastline and surrounding countryside. The town itself offers a blend of historic architecture and monuments, 8 miles of unspoilt beach and around 600 hectares of recreational/ open space attracting visitors from all over the world. However, scratch beneath the surface and one finds a different town characterised by:
- Crime rates that although falling are among the highest in the country, including violent crime
  - Significant levels of Anti-Social Behaviour
  - High economic inactivity levels
  - Persistently low educational attainment levels
  - One of the highest teenage conception rates in the country
  - Poor physical and mental health of residents
  - High levels of substance misuse and addiction rates
- 3.4 In common with a number of coastal areas in the UK, Hastings has suffered from a vulnerable and low wage, mainly service sector economy, unemployment issues and significant levels of deprivation. Socio-economic conditions in Hastings are particularly acute: the Government's indicators show the Borough is the 19th most deprived<sup>6</sup> area in England (out of 326) and the most deprived community in the South East. This is 12 places lower than its 31<sup>st</sup> ranking in the Indices of Multiple Deprivation (IMD) 2007.
- 3.5 Deprivation across the community is measured in small areas called lower layer super output areas (LSOAs). 28% of Hastings' LSOAs are in the most deprived decile for IMD 2010. 45% of LSOAs in Hastings fall into the most deprived 20% and two, Baird and Tressell wards, are among the most deprived 1% of LSOAs in the Country. 40 LSOAs (75%) in Hastings and St Leonards have a worse ranking than in 2007.

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<sup>6</sup> Indices of Multiple Deprivation 2010

- 3.6 Although there has been a welcome reduction in reported crime and ASB in Hastings in recent years, the crime rate for the 12 months to December 2014 was 82.222 crimes per 1,000 residents<sup>7</sup>. This was an increase from 2013 when there were 70.339 crimes per 1,000 residents. This is the 2<sup>nd</sup> highest crime rate across the 13 local authorities in the Sussex police force area, slightly below Crawley (84.408) and now ahead of Brighton & Hove (78.001). In the quarter ending December 2014, crime rates were up in Hastings and in the Sussex force area, compared with the corresponding quarter in 2013. Also, data recently released shows that, for the rolling year March 2014 to February 2015 compared with the previous rolling year, ASB in Hastings has increased. Nuisance ASB has increased by 3.7% and environmental ASB has increased by 7.2%. It should be noted however that changes to the way certain crimes are recorded were introduced in 2014, which has led to increases in reported crime across the majority of the country.
- 3.7 Unemployment levels remain high in Hastings. At 4.8% of the working population, the Borough has the highest level of people claiming Job Seekers Allowance of all local authorities in the South East.
- 3.8 The Joint Strategic Needs Assessment (JSNA)<sup>8</sup> highlights significant problems with alcohol and substance misuse in Hastings. Across the town 26% of adults are estimated to be engaging in increasing or higher risk drinking (of those who drink alcohol) and about 1 in 5 (21%) of adults are estimated to binge drink. Hastings has a significantly higher rate of young people in drug or alcohol treatment (113 per 10,000 persons aged 0-18 years) than the rest of East Sussex (74 per 10,000). Central St Leonards has the highest rate of all wards in the County (222 per 10,000). Hastings also has the highest rates of persons aged 19 years and over in alcohol or drug treatment of all the districts and boroughs in East Sussex. Hastings is ranked 326<sup>th</sup> out of 326 local authorities in England in relation to male deaths from alcohol specific conditions. Central St Leonards has the highest rate of adults in alcohol treatment and Castle ward has the highest rate of adults in drug treatment of all the wards in East Sussex.
- 3.9 Unprecedented changes to social housing policy, homelessness legislation and welfare benefits introduced in the Welfare Reform Act and the Localism Act are expected to have a greater impact in Hastings. Hastings is confirmed as the 11th most affected Local Authority area in the United Kingdom by the welfare reforms<sup>9</sup>. The impact in Hastings is more than four times that of many South East council areas. There appears to be no one single reason for this (e.g. Benefit Cap or changes to under occupation rules in social housing). The cumulative impact of the benefit changes is explained by the very

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<sup>7</sup> [www.police.uk](http://www.police.uk) - Crime comparison with other areas

<sup>8</sup> East Sussex Joint Strategic Needs Assessment - Hastings Scorecard Commentary - January 2013

<sup>9</sup> Hitting the poorest places hardest: The local and regional impact of welfare reform. *Beatty, C. and Fothergill, S., 2013. Centre for Regional Economic and Social Research, Sheffield Hallam University*

large number of people in receipt of some form of welfare benefit and the unusually high number of people renting in the private sector as well as those renting social housing.

- 3.10 Local authorities now have the freedom to discharge their homelessness duty in private accommodation in any area. The large stock of private rented housing in Hastings may prove to be an attractive option for households living in more expensive areas to relocate to more affordable accommodation. It could also be a cost effective option for other local authorities in high rent areas to discharge their homelessness duty by placing homeless households in more affordable accommodation. Much of the private rented sector is concentrated in areas of acute deprivation. History has shown that past changes in social policy, e.g. care in the community, placement of asylum seekers, etc., can lead to higher concentrations of vulnerable people in deprived areas within Hastings where there is a ready supply of cheaper accommodation in the private rented sector. This serves only to add to the problems in the areas and leads to overstretching of public sector services in respect of policing, housing, health, social care and support for vulnerable people.

## 4. The Private Rented Sector in Hastings

### Private Rented Homes - Characteristics

- 4.1 Hastings has had a private rented sector (PRS) that is larger than the national average for many years. Census data for 2011 shows a significant growth in PRS households across the country, up from 10.2% in 2001 to 16.8% in 2011, largely at the expense of owner-occupation<sup>10</sup>. This is also mirrored in the South East Region<sup>11</sup>. Significantly, over the same period, the number of PRS households in Hastings has grown from 19.1% to 28.8% (See Table 1 below), which is still almost twice the national average.

	2001		2011	
Owner-Occupied	23,901	63.6%	22,706	55.2%
Social Rented	5,933	15.8%	5,988	14.5%
<b>Private Rented</b>	<b>7,192</b>	<b>19.1%</b>	<b>11,863</b>	<b>28.8%</b>
Other	578	1.5%	602	1.5%
Total	37,604	100.0%	41,159	100.0%

Source: Office for National Statistics

- 4.2 Significantly this shift in tenure from owner-occupation to private renting has resulted in the proportion of the private rented sector in ten of the Borough's wards exceeding both the national (16.8%) and regional (16.3%) averages for the sector. This picture is presented in Table 2 overleaf. Of the 11,863 households living in the PRS, 7,150 (61%) live in the four town centre wards – Braybrooke, Castle, Central St Leonards and Gensing. The six wards with a level of private renting lower than the national average are Ashdown, Baird, Conquest, Hollington, St Helens and Wishing Tree. These are areas either with higher proportions of social housing or with a greater proportion of owner-occupation.
- 4.3 The Hastings Private Sector House Condition Survey 2008 (HSCS 2008) arrived at an estimate of 2,770 houses in multiple occupation (HMOs) in the Borough, which at the time represented 8.1% of the stock compared with 2% across England. The HSCS 2008 also estimated there are 340 mandatory licensable HMOs (approximately 1% of the stock), which are three or more storey HMOs with shared amenities and five or more residents. Approximately 85% of all HMOs are located in the four town centre wards – Braybrooke, Castle, Central St Leonards and Gensing.

<sup>10</sup> Appendix 2 - Table ii)

<sup>11</sup> Appendix 2 - Table iii)

<b>Table 2. Private Rented Sector in Hastings by Ward (Households) - Census 2011</b>		
<b>Ward</b>	<b>No of Households</b>	<b>% of households</b>
Central St Leonards	2533	58.5%
Castle	2086	55.0%
Gensing	1621	50.9%
Braybrooke	910	37.1%
Old Hastings	692	25.4%
Maze Hill	652	28.1%
Tressell	576	26.0%
Ore	479	21.0%
West St Leonards	421	19.5%
Silverhill	413	20.0%
Wishing Tree	335	13.9%
Conquest	287	13.8%
Hollington	268	11.2%
Ashdown	227	9.1%
Baird	186	9.4%
St Helens	177	7.8%

Source: Office for National Statistics

- 4.4 At nearly 29% of all households, the PRS clearly has an important role to play in housing provision across the Borough for those people unable to afford to buy a home of their own, or unable to access the social housing sector. However, the poor quality of PRS accommodation in Hastings is a pressing concern. The HSCS 2008 highlighted that 49% of privately rented dwellings failed to meet the decent homes standard, compared with the national average of 40.6%. This compares with 34.7% of owner-occupied homes in Hastings and 3% of those that are socially rented.

### **Houses in Multiple Occupation**

- 4.5 The HSCS 2008 also revealed an estimated 2,770 HMOs in the Borough. This included an estimate of 340 traditional large shared HMOs, which are now subject to mandatory licensing. Approximately 85% of all the other 2,430 HMOs are concentrated in the four town centre wards and since 2011 have been subject to the current Additional Licensing scheme. The remaining 15%, approximately 360 HMOs, are spread across the other twelve wards.

## Additional Licensing Scheme for HMOs

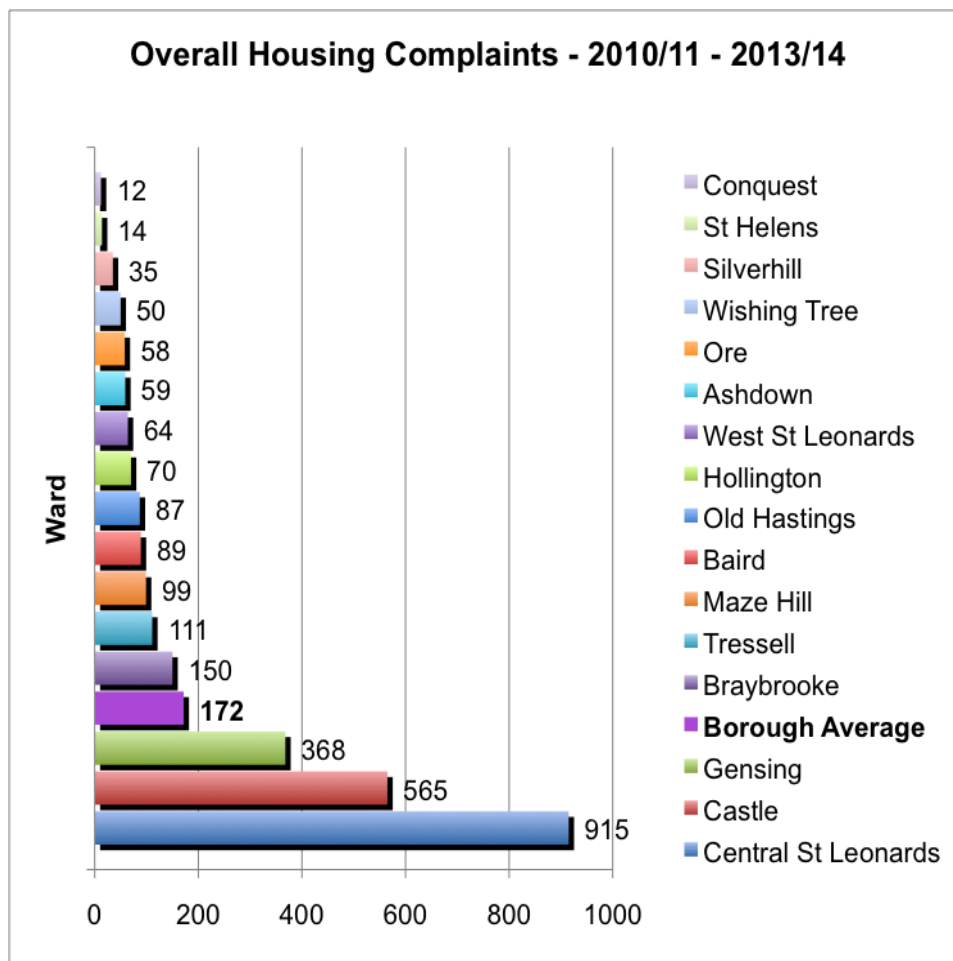
- 4.6 As previously mentioned, since 2011 HBC already has an Additional Licensing scheme for HMOs in operation in four of the wards proposed for Selective Licensing (Braybrooke, Castle, Central St Leonards and Gensing). Additional Licensing requires only that a licence is issued in respect of the whole building and where at least one third of the flats are rented on a short-term basis. Many of the HMOs contain a number of self-contained flats, often in different ownership and with different management arrangements. Selective Licensing will require that each individual flat is licensed providing greater protection for tenants and ultimately the achievement of better housing standards. It will also apply to any rented flats in section 257 HMOs not required to be licensed under Additional Licensing where less than a third of dwellings are let on short-term tenancies.
- 4.7 HBC has recently completed a 3-year review of the Additional Licensing scheme. This has concluded that the licensing is proving to be successful against the original scheme objectives, in that it is leading to, improvements in housing conditions in HMOs; improved standards of management; a reduction in the number of empty homes; and an increase in property values above the borough average. A further review is planned in the final year of the scheme.
- 4.8 To date 570 HMO licences have been issued. This is lower than target, largely due to the volume of applications received, an underestimate of the time needed to process them and the large number of incomplete applications requiring significant work to rectify them. An analysis of the licence applications received reveals that only 10% of the properties put forward for licensing comply with the standards adopted by HBC in respect of amenity and fire safety standards. The other 90% of properties were deficient in some way, as follows:
- 57% of HMOs lacked suitable automatic fire detection and alarm systems.
  - 41% of HMOs lacked emergency lighting installations in the common parts.
  - 71% of HMOs lacked a complete and satisfactory means of escape in case of fire.
- 4.9 This is indicative of the general poor fire safety standards in the town's HMOs. It must be borne in mind that these properties are cases where the landlord has applied for a licence. It is probable that those properties where the landlord has failed to apply or has deliberately avoided applying will have even worse fire safety standards. There are around 7,000 privately rented flats within HMOs in the wards covered by Additional Licensing. The experience to date suggests that there is a very real need for licensing to be applied to individual rented dwellings as well, in order to address issues of ASB as well as to provide tenants with better quality, safe and well managed accommodation.
- 4.10 The review also looked at the cost of running the scheme and has concluded that the fees generated are broadly covering the running costs and therefore the scale of fees does not need to be changed.



The scheme offers discounts to applicants namely: 10% reduction for landlords/freeholders licensing multiple properties, or where they are members of certain accreditation schemes. Should both apply the applicant is eligible for a maximum 20% discount on each application. If HBC decides to designate a Selective Licensing scheme it is proposed that discount arrangements are harmonized between the two schemes, so there is a fair system available to all applicants and to ensure efficient administration.

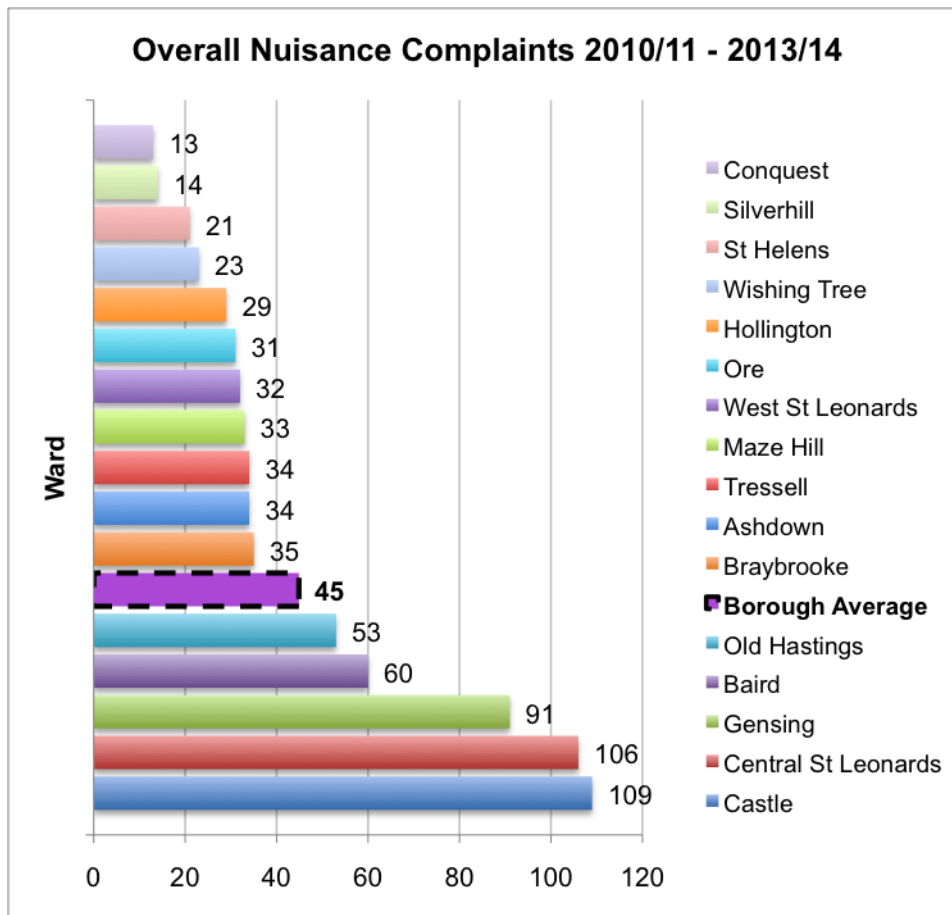
### Housing Renewal Service Requests

4.11 HBC receives high levels of requests for service from private tenants experiencing poor conditions at their property. In the four years up to March 2014, 2,746 service requests were received. Further information about requests for service by year is available at Appendix 4. The chart below shows housing complaints over this period broken down by ward and gives an indication of where the service pressures are coming from.



Source: HBC Housing & Planning Services

4.12 The chart overleaf shows complaints received where a statutory nuisance exists. Central St Leonards, Castle, Gensing, Baird and Old Hastings wards all have above average levels of complaints.



4.13 Overall the level of service requests from private tenants is very high for a borough the size of Hastings and whilst HBC has continued to address these issues the demand for a service to resolve them places significant pressure on staff and financial resources. Appendix 4 shows that over 2,300 housing renewal complaints were actioned over the four year period. Perhaps not surprisingly the bulk of all housing complaints arise from the four town centre wards, with over twice as many complaints received in these areas than the other twelve wards combined. This reflects the size of the PRS in these areas and current policy initiatives such as Additional Licensing, Central St Leonards Renewal Area and the Rogue Landlord project.

### Enforcement Action

4.14 HBC uses its Housing Act powers to deal with complaints, serving improvement notices under sections 11 and 12 (Housing Act 2004), where necessary, to address category 1 and 2 hazards. Details of notices served using these powers are attached at Appendix 4. The data shows that most activity is taking place in the Castle, Central St Leonards, Gensing and Braybrooke wards. This is broadly what might be expected given the current priority given to these areas by HBC. Over the four year period to March 2014, HBC action resulted in 226 statutory notices being complied with. In addition, a further 98 Category 1 & 2 hazards were removed in the 'Seven Streets' priority area between April 2013 and

Source: HBC Housing & Planning Services

November 2014 as a result of HBC action.

### Empty Homes

- 4.15 In 2001 HBC adopted its first strategy to tackle the very large number of empty homes in the town. At that time nearly 3,400 privately owned homes were empty, representing 8.4% of the total housing stock. Of these nearly 2,000 were classed as long term empty (empty for 6 months or more). Adopting a strategic approach was considered important as long term empty properties can become 'honey pots of crime' acting as havens for substance misuse and drug dealing, encouraging other ASB such as fly-tipping, which may attract vermin and disease and can lead to vandalism associated with derelict properties. Empty properties in poor condition can drag a neighbourhood down, adversely affecting property values and investment in the area. For all these reasons HBC has given priority to addressing the issue over a long period.

**Table 3. Number of Long Term Empty Homes by Ward  
(Empty for 6 months or more)**

	September 2008	November 2013	Reduction (-) Increase (+)	% Change
Central St Leonards	231	150	- 81	- 35%
Castle	152	135	- 17	- 11%
Gensing	96	67	- 29	- 30%
Old Hastings	44	61	+ 17	+ 39%
<b>Borough Average</b>	<b>55</b>	<b>42</b>		
Braybrooke	53	39	- 14	- 26%
Baird	24	37	+ 13	+ 54%
Maze Hill	70	36	- 34	- 49%
Silverhill	20	36	+ 16	+ 80%
Ashdown	21	21	0	0%
Tressell	38	19	- 19	- 50%
St Helens	16	19	+ 3	+ 19%
West St Leonards	27	16	- 11	- 41%
Ore	26	14	- 12	- 46%
Wishing Tree	29	7	- 22	- 76%
Hollington	16	7	- 9	- 56%
Conquest	22	3	- 19	- 86%
	<b>885</b>	<b>667</b>	<b>- 218</b>	<b>- 25%</b>

Source: HBC Housing & Planning Services

- 4.16 Since 2001 HBC has refreshed the empty homes strategy regularly and has achieved considerable success through a variety of measures, including a dedicated empty homes officer providing advice and assistance, an empty homes hotline, empty homes grants to owners, enforcement action and a compulsory purchase programme. By September 2008 the number of long term empties had reduced significantly, down to 885. Progress in reducing the number further is proving more challenging but positive outcomes are still being achieved. Information on long-term empty homes in Hastings is presented by ward in Table 3.

- 4.17 The table compares the position in November 2013 with September 2008 and shows a 25% reduction in empty homes over the period of five years. There are four wards where the number of empty homes has increased and these are highlighted. In November 2013 the ward average was 42 and there are four wards that exceed this – Central St Leonards, Castle, Gensing and Old Hastings. These are all wards with high levels of private renting. In fact eight wards with above average PRS feature in the ten wards with the highest levels of empty homes. The 25% reduction in long-term empty homes is very positive news, however, there remains more to do.
- 4.18 Whilst the national financial position no longer enables HBC to offer financial assistance to owners via grants other current initiatives are designed to help continue the momentum achieved. Partnership projects such as Coastal Space developed with Amicus Horizon will contribute investment of £6.3m over two years and deliver 67 additional affordable homes from vacant properties within the existing housing stock, predominantly in Central St Leonards. HBC's compulsory purchase order (CPO) programme is also successfully bringing long-term empty homes back into use either by encouraging existing owners to do so or by transferring ownership to others where they are unwilling or unable to carry out the necessary improvements. Dealing with long-term empty homes is clearly a high priority within the Council's Housing Strategy and one of a number of initiatives designed to secure improvements and make better use of the private sector housing stock. As such it complements the existing Additional Licensing scheme in the town centre wards.

### **Tackling the issues in partnership**

- 4.19 The Council and its partners recognise the importance of working together to address poor conditions and unsatisfactory management within the PRS, whilst at the same time recognising that many landlords provide well managed reasonable quality accommodation. To support this the Housing Strategy<sup>12</sup> provides a framework for co-ordinating activity and interventions, not only to secure improvements in housing conditions but also to address homelessness and reduce the number of long-term empty homes. Detailed action plans are contained in the latest Homelessness Strategy<sup>13</sup> and Empty Homes Strategy.<sup>14</sup>
- 4.20 HBC is not shy in using its Housing Act powers where necessary to help achieve housing strategy objectives, e.g. improvement notices to bring rented homes up to standard, designation of an Additional Licensing scheme for HMOs in the four town centre wards, declaration of a Renewal Area to address the specific problems in Central St Leonards, and the use of compulsory purchase to help bring long term empty properties back into use for people in housing need. However, HBC also believes it is important to provide advice and support to landlords and tenants alike. Comprehensive information is provided on the HBC website. It supports the Hastings and Rother Landlords

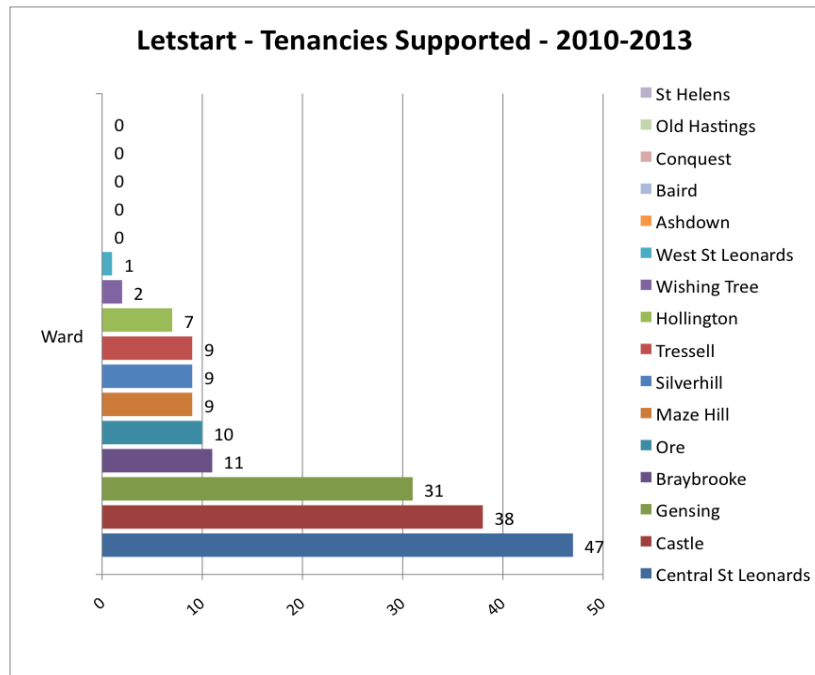
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<sup>12</sup> Hastings & St Leonards Housing Strategy 2009-2013

<sup>13</sup> Hastings & St Leonards Homelessness Strategy 2013-15

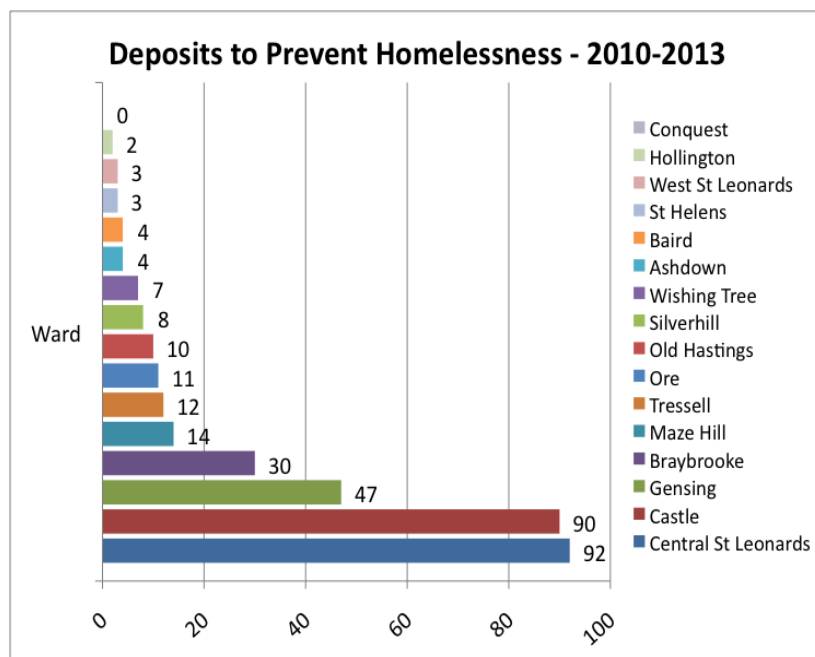
<sup>14</sup> Hastings & St Leonards Empty Homes Strategy 2009-2013

Forum, which meets quarterly. Through the innovative Letstart scheme people at risk of homelessness are linked together with landlords willing to meet certain standards at their properties in return for a free letting service. Tenants are accredited through a review of their past housing history and previous landlord references.



Source: HBC Housing & Planning Services

4.21 Housing benefit is fast tracked. Rental bonds or deposit guarantees are made available where necessary. During the period 2010-2013 Letstart has helped house 147 households and over the same period HBC assisted 337 households with deposits to help prevent homelessness.



Source: HBC Housing & Planning Services

- 4.22 Given the success of Letstart, HBC has recently agreed to introduce a pilot social lettings scheme involving the leasing of up to 100 homes from private landlords to let to local people in housing need.

### **Tackling Rogue Landlords**

- 4.23 In recognition of the particular challenges posed by the PRS in Hastings, HBC was one of 23 council's across the country recently awarded funding by the Government to help tackle problems caused by rogue landlords, through a two-year project starting in 2014. HBC has committed itself to take tough action against the worst offenders by joining Shelter's Evict Rogue Landlords campaign. The aim of the project is to tackle the rogue like landlord behaviour and educate both landlords and tenants about their rights and responsibilities. The funding supports a dedicated landlord and tenant liaison officer, an enforcement officer and a telephone hotline to help support all landlords and tenants; and also will work with responsible landlords to drive up the overall quality of the local private rental market. Where appropriate the liaison officer will deal with issues such as harassment or illegal eviction instigating relevant court action, if necessary. The enforcement officer will tackle substandard and poorly managed property. Although Government funding runs out at the end of March 2015 HBC has committed to continuing a rogue landlord service beyond this period from existing HBC resources.
- 4.24 Better training for landlords is an issue that has emerged from the work of the project. In response to this, HBC Housing Services has put in place a pilot training programme that is proving to be well received. The first event was held on 19 December 2014 and was attended by 60 people. Topics covered included the Housing Health and Hazard rating standards, the Empty Homes Strategy and incentives, and trading standards issues associated with letting agents, Energy Performance Certificates and consumer protection legislation. The next event is planned for 18 March 2015 and the programme is likely to include a presentation about HBC's new social lettings project, together with workshops about Housing Benefit/Universal Credit, possession procedures and HMO licensing.
- 4.25 The recent 'Safe and Decent Homes'<sup>15</sup> report from Shelter and British Gas highlights the poor conditions in the PRS revealing that a third of privately rented homes do not meet the government's Decent Homes Standard and 61% of renters have experienced problems of damp, mould leaking roofs or windows and safety hazards concerning electrical or gas defects. It states that rogue landlords perpetuate poor conditions and are a manifestation of a lack of renter bargaining power. However, the main thrust of the report is that the PRS is far more greatly characterised by individual amateur and accidental landlords owning just one or two properties and who may have very little understanding of their responsibilities. The report asserts that the market is fragmented, and the lack of centralised data on landlords and their stock, makes it very difficult for national or local government, or

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<sup>15</sup> Safe and Decent Homes: Solutions for a better private rented sector - Shelter 9 December 2014

indeed professional bodies, to educate landlords and renters on their rights and responsibilities. In this context the HBC programme of landlord training is an important means of addressing this issue.

### Housing Advice

- 4.26 The Hastings housing advice service is provided by BHT from the Advice and Community Hub in London Road, St Leonards, alongside Citizens Advice 1066. A summary of key casework activity is provided in the table below. Over half their casework concerns advice on defending possession proceedings and 30% relates to disrepair and associated problems. Since the changes in 2012 to Legal Aid support BHT reports that the advice hub has seen an increase in requests for advice on housing issues. In the last year housing issues made up 15% of advice requests, compared with approximately 4% previously. Housing issues are now the 3<sup>rd</sup> highest category after debt (1<sup>st</sup>) and employment (2<sup>nd</sup>) issues.

<b>BHT Hastings Advice Service - Private Tenant Casework in Hastings &amp; St Leonards</b>		
<b>April 2011-December 2014</b>		
<b>Activity</b>	<b>Total</b>	<b>%</b>
Possession cases	431	53%
Deposit issues	54	6.6%
ASB cases	14	1.7%
Disrepair/unsuitable accommodation issues	246	30.2%
Unlawful evictions	30	3.7%
Rent/rent level issues	39	4.8%
<b>Total</b>	<b>814</b>	<b>100%</b>

Source: BHT Hastings Advice Service

### Government Policy on the PRS

- 4.27 In addition to providing funding support for the rogue landlords initiative, in October 2013 the Government announced<sup>16</sup> a number of other proposals to help private tenants get a better deal when renting accommodation under new initiatives such as the Build to Rent scheme. These include the following:
- New regulations to force letting and property management agents to join a compulsory redress scheme
  - A new code of practice published setting standards for the management of property in the private rented sector
  - Publish a draft of a new tenant's charter
  - Introduction of a model tenancy agreement, which landlords can use to offer longer tenancies of 2 years or more
  - A commitment to provide extra guidance for local authorities on how to protect tenants from illegal eviction, how to push for harsher penalties for housing offences and to plan for new private rented developments in the future, including on their own land

<sup>16</sup> A brighter future for hardworking tenants - DCLG Press Release 16 October 2013

4.28 The Government has recently acknowledged that tenants need greater protection from poor management practices and has recently put forward an amendment to the Deregulation Bill<sup>17</sup> designed to provide a balanced package of measures that will benefit both tenants and landlords, in four key areas:

- retaliatory eviction where the tenant has raised a legitimate complaint about the condition of the property
- give at least two months notice before a tenant has to move out at the end of their tenancy
- make the eviction process more straight forward for landlords in situations where the tenant should be evicted, e.g. because of rent arrears or ASB, through the introduction of a prescribed form eviction notice to reduce errors
- where a landlord has failed to comply with certain legal obligations, e.g. Energy Performance Certificates and Gas Safety Certificates, the tenant cannot be evicted, until the relevant documents are provided

4.29 In October 2013, the Government also responded to the Communities and Local Government Select Committee report on the PRS<sup>18</sup>, which amongst other things made recommendations on licensing the PRS. The Government made it clear that it rejects the idea of a national licensing regime for the PRS. However, it also indicated that they are considering information collected from local authorities about their experience of implementing discretionary licensing schemes with a view to helping inform any update of current guidance on selective licensing. It also stated that there are no plans to amend the current legislative framework or introduce any new regulations in the area of additional and selective licensing schemes<sup>19</sup>. Last year the Government published a discussion paper reviewing property conditions in the PRS<sup>20</sup>. In this it makes it clear that it does not support the use of licensing across an entire local authority area and suggests that one way forward might be to restrict the geographic size of a designated Selective Licensing area or the type of property to which the designation relates. However, at present the current legislation and guidance concerning licensing remains in force.

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<sup>17</sup> Policy statement on amendment to Deregulation Bill - DCLG February 2015

<sup>18</sup> Government Response to the Communities and Local Government Select Committee Report: The Private Rented Sector - October 2013 CM8730

<sup>19</sup> Recommendations 11 & 12 - Government Response to the Communities and Local Government Select Committee Report: The Private Rented Sector - October 2013 CM8730

<sup>20</sup> Review of Property Conditions in the Private Rented Sector - February 2014 DCLG



## 5. Anti-Social Behaviour

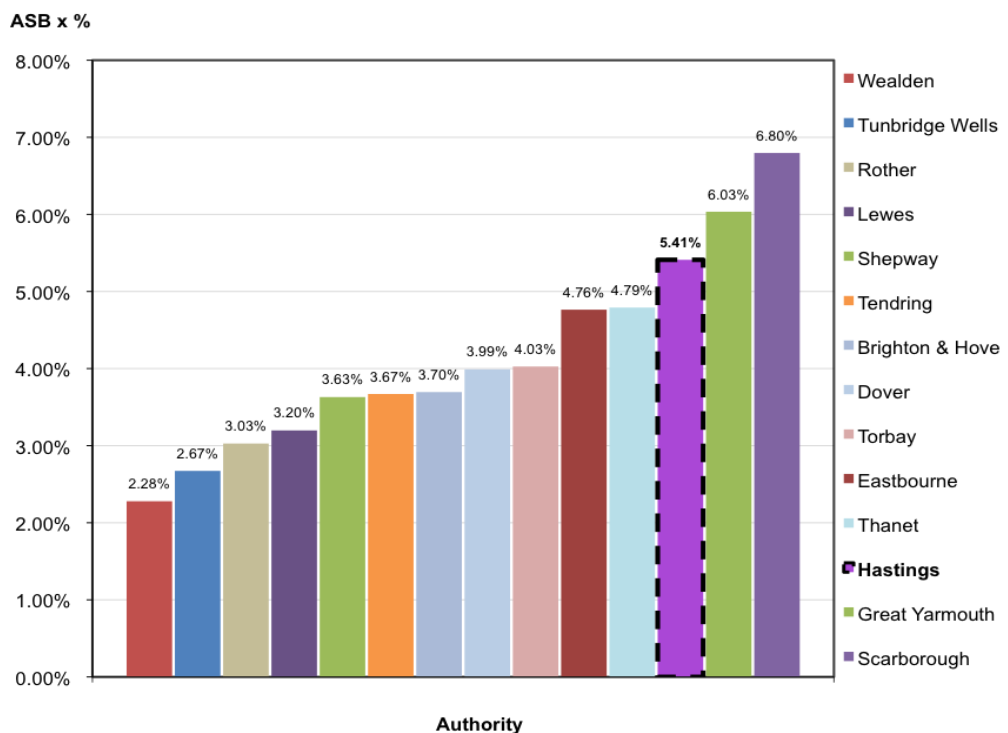
5.1 A range of evidence concerning anti-social behaviour (ASB) reported to the Police and HBC was reviewed in order to establish whether there are grounds for introducing selective licensing in all or part of the Borough, or extending additional licensing of HMOs to other wards not covered by the existing scheme. The data used has come from Sussex Police, UKCrimeStats.com and HBC's own records. This has been used to provide a picture of how Hastings compares with other similar coastal towns and neighbouring areas and how the position varies within Hastings at ward level.

5.2 The police and HBC both receive complaints of ASB but neither organisation records the information by tenure. In order to meet the legislative requirement of demonstrating a link between ASB and the PRS, HBC built a database allocating tenure to all dwellings across the town. The database was then used to map recorded ASB complaints against tenure.

### Anti-Social Behaviour reported to the Police

5.3 The period between 2011 and 2012 saw a welcome reduction in anti-social behaviour (ASB) reported to the Police in Hastings and St Leonards. However, data recently released shows that, for the rolling year March 2014 to February 2015 compared with the previous rolling year, ASB has increased. Nuisance ASB has increased by 3.7% to and environmental ASB has increased by 7.2%.

**Anti-Social Behaviour incidents as % of all residents - Hastings compared with other authorities - 2012**



However, nonetheless, the evidence for 2012 suggests that the town

has a high level of ASB compared with other comparable coastal areas and neighbouring authorities. This is demonstrated in the previous chart and table 4 below. The data indicates that out of the 14 areas selected Hastings has the third highest level of ASB (5.41%) when shown as a percentage of all residents.

**Table 4. Anti-Social Behaviour Incidents as % of all residents - Hastings compared with other authorities - 2012**

Local Authority	ASB Incidents	Population	%
Rother	2,758	91,100	3.03%
Tunbridge Wells	3,087	115,500	2.67%
Lewes	3,156	98,700	3.20%
Wealden	3,441	151,000	2.28%
Shepway	3,946	108,700	3.63%
Dover	4,460	111,800	3.99%
Eastbourne	4,764	100,000	4.76%
Hastings	4,886	90,300	5.41%
Tendring	5,076	138,300	3.67%
Torbay	5,295	131,500	4.03%
Great Yarmouth	5,890	97,600	6.03%
Thanet	6,502	135,700	4.79%
Scarborough	7,381	108,600	6.80%
Brighton & Hove	10,191	275,800	3.70%

Source: UKCrimeStats.com

5.4 Table 5 below shows ward data comparing the level of ASB and the incidence of ASB per 1,000 population with the size of the PRS in each ward. The 10 wards with higher than average PRS are highlighted in yellow. Three of the other wards Baird, Hollington and Wishing Tree

Table 5. Anti-Social Behaviour by Ward and Private Renting				
Ward	Private Renting Households	ASB Incidents per 1,000 population	ASB Rolling Year June 2013	ASB Calendar 2012
Central St Leonards	2,533	90.4	666	765
Castle	2,086	149.3	979	1099
Gensing	1,621	54.3	374	379
Braybrooke	910	26.4	141	180
Old Hastings	692	45.7	288	307
Maze Hill	652	24.6	132	123
Tressell	576	50.4	280	280
Ore	479	61.2	337	338
West St Leonards	421	29.0	169	192
Silverhill	413	22.1	160	169
Wishing Tree	335	32.2	152	191
Conquest	287	16.5	88	106
Hollington	268	49.5	346	362
Ashdown	227	17.9	105	129
Baird	186	44.4	210	208
St Helens	177	7.4	27	58
<b>Totals</b>	<b>11863</b>		<b>4454</b>	<b>4886</b>
Wards with above national & regional average PRS				

Source: Safer East Sussex Team & Sussex Police

(highlighted in pale blue) show higher levels of ASB but this can be partly explained by the fact that these are areas with large concentrations of social housing.

### **Anti-Social Behaviour, Noise & Nuisance Complaints reported to the Council**

- 5.5 Information on noise and nuisance complaints reported to the Council over the past three years is set out by ward in the tables at Appendix 3. As might be expected, data on noisy neighbours and music noise shows particularly high levels of complaint in the town centre wards where there are high concentrations of flats, with Gensing, Central St Leonards and Castle at the top of the lists. There are also above average complaints of noisy neighbours in Ore, Maze Hill, Baird and West St Leonards wards.
- 5.6 The data on nuisance complaints relating to litter enforcement, dogs/animals and dirty houses shows that the four town centre wards are all above average in each nuisance category. With littering complaints, Hollington, Tressell and Ashdown wards are also all above average. Complaints about dog/animal nuisance are above average in Hollington, Old Hastings and Ore wards. Although the number of complaints of nuisance caused by dirty houses is relatively low, Old Hastings and Ashdown wards show levels above the ward average.

### **Anti-Social Behaviour and the Private Rented Sector**

- 5.7 Whilst all of this data is interesting and gives an indication of relative levels of ASB and the PRS in each ward, on its own it is not sufficient to demonstrate a direct link between the PRS and ASB. In order to understand whether there is a link between the PRS and ASB, HBC has produced maps based on the tenure database developed in 2013 and cross-referenced this against their own records of ASB and also ASB data from Sussex Police. Maps are attached at Annexe 1 for each of the ten wards with above average PRS. There are separate maps showing ASB reported to the Police alongside the different types of ASB reported to HBC.
- 5.8 It is important to note that the way the data is presented differs between those maps showing ASB reported to the police and those showing ASB reports to HBC. In the case of the police data, maps for seven wards (Castle, Central St Leonards, Gensing, Maze Hill, Old Hastings, Ore and Tressell) are based on hot spot information provided by the police with HBC tenure data superimposed. Maps for the other three wards (Braybrooke, Silverhill and West St Leonards) are based on individual ASB reports to the police, which have then been 'clustered' on the basis of five or more reports within a 50-metre radius, with HBC tenure data superimposed. For the police data separate maps are provided for the PRS and for all tenures. In the case of the maps showing ASB reports direct to HBC, each case is signified by a colour coded dot representing the tenure of the reported location. A brief summary for each ward follows below.

### **Braybrooke Ward**

- 5.9 There are nine clusters of ASB reports to the police, seven of which are predominantly associated with PRS dwellings. The other two clusters concern open space such as Linton Gardens and Alexandra Park. The number of ASB cases reported directly to HBC is relatively low in comparison but they do mirror the police clusters and overall there are a greater number of ASB reports related to the PRS.

### **Castle Ward**

- 5.10 ASB levels are high in this ward. There is a very clear link between the hotspots of ASB reported to the police and the PRS throughout the whole ward. The very highest levels of ASB relate to the town centre and may partly be explained by the impact of the night-time economy, although, where possible, ASB related to commercial premises, such as noise, was excluded from the data analysis. The picture is broadly the same for ASB reports to HBC where cases predominantly arise from the PRS and are distributed across the whole ward.

#### **Case study: Cornwallis Gardens - Castle Ward**

Complaints have been coming in from this location containing 4 flats within one building. The problem arose when the tenants of the ground floor flat was complaining about being verbally abused by her neighbour directly above. The problems continued for sometime to the point that both got arrested for various criminal offences.

The issue regarding their tenancy was brought up on a regular basis as both had different landlords. Both landlords sided with their tenant and the community impact was very local which makes it very difficult to address with current powers. The dispute continues and despite best efforts by all agencies the police are almost powerless to deal with this issue in the long term.

### **Central St Leonards Ward**

- 5.11 ASB levels are high in this ward. There is a strong correlation between the police ASB hotspots and the PRS throughout the whole ward. The very highest levels of ASB relate to St Leonards town centre and may

#### **Case study: Marina- Central St Leonards Ward**

This is a rented property with old scaffolding on the rear of the building that blocks the bins. There is a yard and basement, which is also full of rubbish. Tenants have tried their best to get the owners to clear up, with no success. Now HBC are involved to have it cleared by enforcement.

The big issue here is the landlord's expectations of their responsibility. They purchase and fill properties with tenants, and then sit back. They forget that tenants make a mess, or they need areas to store their waste. There are no general inspections of their property so they could remove the litter that builds up, or take action with the tenants that keep causing issues.

also be partly explained by the impact of the night-time economy. The picture is broadly the same for ASB reports to HBC where cases predominantly arise from the PRS and are distributed across the whole ward.

### ***Gensing Ward***

- 5.12 ASB in this ward is the third highest in the town. There is a strong correlation between the police ASB hotspots and the PRS particularly at the northern and southern ends of the ward. ASB reports to HBC are fairly evenly spread throughout the ward and cases predominantly arise from the PRS.

### ***Maze Hill Ward***

- 5.13 There are three main hotspot areas, two of which are predominantly associated with the PRS. These are in the south of the ward and coincide with either end of West Hill Road where there are significant numbers of large buildings converted into privately rented flats. ASB reports to HBC are relatively low but there is a concentration of cases associated with the PRS in the south along West Hill Road.

### ***Old Hastings Ward***

- 5.14 There are two main hotspot areas in this ward at the southern end and the north east corner both of which demonstrate a strong link to the PRS. There are two other hotspots stemming from Tressell ward that just touch the edge of this ward at Halton and in the north east corner, both of which, although small, are predominantly made up of PRS properties. The highest levels of ASB relate to the Old Town central area and may also be partly explained by the night-time economy. However, there are large concentrations of PRS away from the central area where ASB levels remain relatively high. ASB reports to HBC are relatively low but follow a similar pattern.

### ***Ore Ward***

- 5.15 There are five main hotspot areas in this ward all of which show a direct link to the PRS. Two coincide with areas of social housing but in the other three the PRS is the dominant tenure. The highest level of

#### **Case study: Saxon Road - Ore Ward**

A long standing neighbour dispute between two neighbours regarding mainly noise. Police along with HBC spend countless amount of time trying to mediate with both parties, one being an owner-occupier and the other a private tenant. The landlord of the tenant was contacted to discuss this dispute but refused to apply any action as he stated that it was his tenant that was the aggrieved party. This created a 'no win' situation as both neighbours continued to call the authorities with them having to be criminalised to calm the situation down. This dispute continues.

ASB is in the centre of Ore village and may reflect ASB associated with small commercial areas. ASB reports to HBC follow a similar pattern and those associated with the PRS are concentrated in the hotspot south of Ore village and spread more evenly throughout the others.

### ***Silverhill Ward***

- 5.16 There are eight clusters of ASB reports to the police, seven of which are predominantly associated with PRS dwellings. Whilst the overall number of ASB cases is lower than in adjacent wards such as Gensing the clusters do show a clear link between ASB and the PRS. ASB reports to HBC are relatively low but follow a similar pattern.

### **Tressell Ward**

- 5.17 There are five main hotspot areas in this ward, four of which show a link to the PRS. The largest is at the southern end where the tenure is predominantly PRS. Two of the other areas include concentrations of social housing, e.g. Broomgrove. However, both areas include significant number of privately rented dwellings. ASB reports to HBC are relatively low but follow a similar pattern.

### **West St Leonards Ward**

- 5.18 There are eight clusters of ASB reports to the police and six of these are predominantly associated with PRS dwellings. Whilst the overall number of ASB cases is lower than adjacent wards such as Central St Leonards there is clear evidence of a link between ASB and the PRS. ASB reports to HBC are relatively low but show a concentration of cases to the south of the ward where there are greater numbers of PRS dwellings.

### **Tackling Anti-Social Behaviour in Partnership**

- 5.19 Working together to tackle crime and anti-social behaviour in Hastings & St Leonards is a top priority for the Safer Hastings Partnership. The Partnership includes a range of statutory partners - HBC, East Sussex County Council, Sussex Police, East Sussex Fire & Rescue Services, Surrey & Sussex Probation Service, Hastings & Rother Clinical Commissioning Group and a Police & Crime Commissioners Office representative. It also works closely with other key partners such as, Amicus Horizon Housing Association, the Targeted Youth Service and Hastings Community Network. In addition to tackling crime and ASB there is close working between partners to engage and consult with local residents. Over the past decade the partnership has helped bring recorded levels of crime in the town down from 12,000 to around 6,500.
- 5.20 The Partnership's priorities are set out in the Hastings Community Safety Plan<sup>21</sup>. The overarching aim of the Plan is 'to work together to make our town a safer place to live, work and visit'. Partners are committed to work to support the most vulnerable victims of crime and ASB and to redouble efforts to sustain the significant reduction in crime achieved over the last decade. Current priorities particularly relevant to this report include:
- Reducing ASB incidents, including criminal damage and youth arson
  - Reducing environmental crime, such as fly-tipping and dog fouling in the local community
  - Prioritising neighbourhoods where crime and ASB are known to be more likely to happen, e.g. in Castle and Central St Leonards wards.
- 5.21 Tackling ASB is a high priority for the Safer Hastings Partnership because engagement with local communities has highlighted it is an issue that most concerns people. Partners adopt a victim-focused approach and prioritise cases based on risk assessment. There are also a number of initiatives introduced to address specific issues, e.g. information sharing by partners through a web based ASB case

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<sup>21</sup> Hastings Community Safety Plan Refresh 2013-14

management system, a service to work with problem families to reduce the impact their behaviour is having on the wider community and detached youth work to engage with groups of young people whose behaviour is causing concerns in the local area.

- 5.22 In response to community concerns about environmental crime such as, littering, dog fouling, fly tipping, noise nuisance and graffiti these issues are tackled through the HBC street wardens who have a joint environmental and off-street parking enforcement role. In addition the Sussex Police Neighbourhood Policing team have taken on local authority enforcement powers to issue fixed penalty notices for things like littering and dog fouling and social housing providers are working to encourage responsible pet ownership amongst their tenants.
- 5.23 Neighbourhood Policing currently operates across the whole town but with resources targeted at known hot spots or those wards where a disproportionate amount of crime and ASB happens. Often this is due to the concentration of multi-occupied properties, shops, pubs, off-licences and clubs, e.g. in Castle and Central St Leonards wards. In these priority areas a joint service response from partners is adopted to address issues of ASB and crime, including joint patrols in the area. In addition multi-agency days of action, known as 'Quality Streets', are held throughout the year.
- 5.24 The Sussex Police Anti-Social Behaviour Co-ordinator responsible for the Hastings area, is a qualified police officer and has undertaken this role for the past three years. His current role involves lots of different and challenging, individuals, groups and locations. He reports that one of the more troubling, frustrating and increasingly concerning issues he has to deal with is private landlords and their tenants.
- 5.25 In his experience he finds the law is very difficult to operate when it comes to the powers that are given to the authorities for tackling ASB caused by private tenants. Neighbour disputes are notoriously difficult to deal with and the level of proof required to demonstrate community impact makes it nigh on impossible to consider action such as the making of a closure order. There appear to be many landlords who own large property portfolios and regard their investment purely as a way of achieving a return but seem unable or unwilling to deal with issues caused by their tenants. Preventing ASB or dealing with it through licensing is to be supported by the police. He has provided a number of brief case studies highlighting some of the recent reports of ASB that he has to deal with.
- 5.26 There are nearly 6,000 social housing dwellings across the Borough and where ASB occurs the registered providers (housing associations) have a duty to take steps to deal with it. Amicus Horizon is the largest provider with responsibility for around 2/3rds of all social homes in the town and has adopted a pro-active approach to deal with ASB, providing support through a dedicated team. All reported incidents of ASB are taken seriously. A case officer is assigned to investigate and where necessary co-ordinate action. This may include joint action with the Neighbourhood Policing team, HBC and, where appropriate, other

partner agencies. Through effective casework, tenancy management and co-ordination of activity, this approach has proved to be a very positive means of addressing ASB in social housing areas.

- 5.27 All activity to tackle ASB is co-ordinated through a monthly Community Safety Hub meeting, which is chaired by HBC or Sussex Police and covers all wards. The hub brings together partners to discuss, manage and agree actions to deal with ASB and other issues in the area. There is also a regular management meeting held by the Neighbourhood Policing Team to risk assess and review progress with ongoing ASB cases across the town.

### **Anti-Social Behaviour, Crime and Policing Act 2014**

- 5.28 New powers were introduced in the ASB, Crime and Policing Act 2014 (the Act), which mostly came into force in October 2014. In effect the new legislation condensed the previous fifteen ASB powers down to six new ones, which aim to provide simpler and more effective measures to tackle ASB. The new measures are:

- Injunctions to prevent nuisance
- Criminal Behaviour Orders
- Closure Notices
- Dispersal Powers
- Community Protection Notices
- Public Spaces Protection Orders

In addition the Act includes two measures designed to give victims and communities a say in the way ASB is dealt with. These are:

- the Community Trigger
- the Community Remedy

It also amends the Housing Acts with the introduction of a new absolute ground for possession in cases where ASB or criminality has already been proven by another court.

- 5.29 Of the above measures it seems likely that five of them will have a direct relevance to landlords (social and private) as follows:

**Absolute Ground for Possession** - This is intended for the most serious cases of ASB and should mean cases are dealt with in a single short hearing. In practice, private landlords are likely to use the 'no fault' ground for possession in section 21 of the Housing Act 1988 when a fixed term tenancy has expired. However, this new ground will assist landlords to end tenancies quickly in cases of serious ASB that occur during a fixed term assured shorthold tenancy. Government guidance advises that landlords should ensure that tenants are aware from the commencement of their tenancy that ASB or criminality either by the tenant, people living with them, or their visitors, could lead to the loss of their home.

**Community Trigger** - This gives victims of ASB the ability to demand action, starting with a review of their case, where the locally defined threshold is met. It brings agencies together to take a joined up



problem solving approach to find a solution. The pan Sussex threshold for the 'trigger' is where a minimum of three incidents of ASB have been reported in the previous six month period and no action has been taken. The victim could be an individual, a business or a community group. So on this basis a private landlord can, individually, or with their tenant's support, activate this review process.

**Community Protection Notices** - This enables the local authority and the police to stop persistent environmental ASB, like graffiti, neighbour noise or rubbish on private land. It is intended to stop a person, a business or organisation committing ASB, which negatively affects the community's quality of life. To serve a notice the behaviour must be having a detrimental effect on the quality of life of those in the locality; be persistent or continuing; and be unreasonable. Breach of a CPN is a criminal offence and can be dealt with by a fixed penalty notice of up to £100 or a fine imposed by the courts.

**Closure Notices & Orders** - This power is intended to be a fast, flexible power that can be used to protect victims and communities by quickly closing premises that are causing or likely to cause ASB. A closure notice can be used by the police or the council as a short-term measure (up to 48 hours) without going to court. To extend closure beyond this, a closure order must be obtained from the Magistrates Court. Poorly managed PRS properties are amongst the most likely to be the subject of closure notices or orders and where used this may benefit landlords in the short-term where their tenant is causing ASB. If a property is closed for more than 48 hours under a closure order as result of ASB, this enables a landlord to obtain possession under the new 'absolute ground' as outlined above.

**Injunction to prevent nuisance** - This is a civil power available by application to the County Court or Youth Court (for under 18s) intended to stop or prevent individuals engaging in ASB quickly, nipping problems in the bud before they escalate. The power is not yet enacted (currently expected at the end of March 2015) whilst some remaining process issues are resolved but when available the police, the council or a housing provider can apply for an injunction. This may assist private landlords in helping to resolve ASB caused by their tenants, or others visiting their property.

- 5.30 These new measures introduced in the Act will add to the 'tool kit' available for dealing with the more serious cases of ASB and serve to highlight the need for different statutory agencies and landlords, both social and private, to work together to resolve these types of cases. However, as indicated by the recent consultation exercise much of the ASB experienced can be classed as 'low level' but nonetheless can have a very detrimental effect on the quality of life for residents and local communities. Using the new measures introduced in the Act will not necessarily be appropriate to deal with 'low level' ASB. It remains important, therefore, for landlords to have effective management arrangements in place, including tenancy agreements that include provisions for dealing with problems of ASB.

## Summary

- 5.31 In seven of the ten wards where there are above average levels of private renting there is evidence of significant and persistent ASB and that there is a clear link between ASB and private rented homes that is not being adequately addressed by private landlords. These wards are:
- Braybrooke
  - Castle
  - Central St Leonards
  - Gensing
  - Old Hastings
  - Ore
  - Tressell
- 5.32 In the other three wards, Maze Hill, Silverhill and West St Leonards there is evidence of significant and persistent ASB arising in 'hotspots' but not elsewhere in the wards. Although there is a reasonable case for designating a Selective Licensing scheme covering all ten wards, the formal consultation exercise has highlighted the need to focus resources on the areas with the greatest problems. Therefore, if HBC decides to designate a Selective Licensing scheme it is proposed that it should cover the seven wards rather than all ten. Designating a Selective Licensing scheme in this way is consistent with the co-ordinated approach adopted between partner agencies and HBC to deal with ASB. However, if landlords switch their investment strategy away from the proposed licensing area, there is a danger that ASB and other problems associated with the PRS will be displaced into Maze Hill, Silverhill and West St Leonards wards at some stage in the future if they are not included in the scheme and this is something that will need to be kept under careful review.
- 5.33 There is not sufficient evidence to warrant including the remaining six wards with lower than average PRS levels in the proposed scheme and the likelihood of displacement into these wards is less, given the nature of the housing stock, which generally does not offer a large number of small one bedroom dwellings. This is despite popular support for a Borough wide licensing scheme as expressed through the public consultation undertaken and referred to later in this report.

## 6. Options Appraisal

- 6.1 The Housing Act 2004 requires that before making a discretionary licensing designation a local authority must consider whether there are any other courses of action available to them that might provide an effective method of dealing with the problem or problems in question.
- 6.2 This options appraisal therefore seeks to examine a range of alternative options including discretionary licensing and was carried out in accordance with Government guidance.
- 6.3 There are two parts to the appraisal process. The first is option development, which identifies the available options for tackling substandard and 'problem' privately rented properties in the Borough and examines the strengths and weaknesses of each. The second part is the option appraisal itself. It measures the effectiveness of each of the identified options by giving them individually a series of scores against the agreed objectives. The options, and the objectives against which they are scored, need to derive from the Council's vision for the future role of the private rented sector.
- 6.4 A multi-disciplinary panel of Council officers undertook the options appraisal, with representatives from the following services:
- Housing Renewal
  - Environmental Health
  - Housing Strategy & Development
  - Community Safety
  - Economic Development
  - Planning
- 6.5 The panel considered how each of the options could meet the objectives and each panel member scored the options individually against how likely they were to achieve the objectives. Average scores were then arrived at for each option.
- 6.6 Full details of the options appraisal methodology are attached at Appendix 4.

### Vision for the Borough's Private Rented Sector

- 6.7 The agreed vision for the private rented sector and the future role it can play in helping to meet the Housing Strategy objective 'to improve and make best use of the existing housing stock' is:

***To maximise the contribution made by the private rented sector towards meeting current and future housing need through tailored, targeted and proportionate intervention and support designed to secure safe, well-managed and decent accommodation.***

## Option Development

6.8 Eight possible options for tackling substandard and 'problem' properties in Hastings were identified and are set out below:

**1. Do nothing.** This option would involve the Council doing nothing to intervene in the private rented sector, leaving the housing market as the driver for landlords carrying out improvements to their properties.

**2. Do the minimum.** This option envisages Council intervention in the sector being limited to a basic 'complaint response' service with action by other departments and agencies on a largely ad hoc basis using the various powers available to them.

**3. Informal area action.** A non-statutory Action Area, taking in part of the Borough where substandard properties are concentrated, would be declared. The impetus for housing improvement would come from a combination of the Council's activity in the area through a mixture of advisory surveys, Council-landlord dialogue and, where necessary, the threat of follow-up enforcement action.

**4. Targeted use of Interim Management Orders (IMOs) and Final Management Orders (FMOs).** There are other tools available under the Housing Act 2004 such as Interim and Final Management Orders for non-licensable HMOs or Special Interim Management Orders for other properties to address anti-social behaviour in selected properties where conditions are sufficient to justify use of the powers.

**5. Area-based voluntary accreditation.** This option would involve a localised Accreditation scheme, tailored to suit the characteristics of the properties and the problems associated with them. The Council's HALo accreditation scheme came to an end in 2011 due to its limited impact and financial constraints.

**6. Borough wide Selective Licensing Scheme.** Licensing introduced for all private rented properties across the whole Borough.

**7. Area-based Selective Licensing scheme.** Licensing introduced in the wards or parts of wards with the highest concentration of private rented properties and significant problems of anti-social behaviour or evidence of low housing demand.

**8. Borough wide Additional Licensing scheme.** Licensing introduced for all HMOs not covered by mandatory licensing (i.e. two or more storeys with three or more households) across the whole Borough in the 12 wards not covered by the current scheme.

6.9 The panel identified eight objectives for the private rented sector and these are listed in the table below. Each of the options identified were evaluated and scored against the agreed objectives.

No.	Objective
1.	To keep occupants safe by securing effective management of private rented properties.
2.	To improve the living conditions for tenants through ensuring an appropriate level of facilities is provided.
3.	To improve housing standards and maintenance within private rented properties, with particular emphasis on security, fire safety and thermal comfort.
4.	To ensure landlords exercise appropriate management and supervision of their properties to help reduce any adverse impact on the neighbourhood, e.g. from anti-social behaviour.
5.	To encourage investment in private rented homes and increase the availability of affordable and decent accommodation for those in housing need.
6.	To build on and expand existing partnerships with landlords, agents, tenants, colleges and the Universities, community forums and partner agencies/services, maintaining effective two-way communication, promoting joint working and best practice and through these, facilitating improvements to the private rented sector.
7.	To encourage and support owners and managing agents of private rented properties to work proactively with the Council in achieving clearly defined standards and management of private rented properties.
8.	To facilitate stable and integrated communities through policy and proactive targeting of intervention.

### Outcome of the Options Appraisal

6.10 Each panel member evaluated and scored the eight options against the agreed objectives using the scoring criteria set out below. Scores were averaged for each option/objective and a total score arrived at for each option.

6.11 A summary of the Panel's averaged total scores from the appraisal exercise is set out below for each option and ranked according to their total score.

Options	Total Score	Rank
1. Do nothing	0	8 <sup>th</sup>
2. Do the minimum	4.3	7 <sup>th</sup>
3. Informal area action	10.1	6 <sup>th</sup>

4. Targeted use of Management Orders	12	4 <sup>th</sup>
5. Voluntary area-based accreditation	11.6	5 <sup>th</sup>
6. Borough wide Selective Licensing	25.9	1 <sup>st</sup>
7. Area-based Selective Licensing	25.6	2 <sup>nd</sup>
8. Borough wide Additional Licensing	22.4	3 <sup>rd</sup>

6.12 The outcome of the appraisal process as regards which option would best meet the agreed vision and objectives for the PRS in Hastings is that there is little to choose between Borough wide and area based (10 ward) Selective Licensing schemes (with total scores of 25.9 and 25.6 respectively). This can be explained by the fact that the 10 wards with above average PRS contain 88% of privately rented dwellings. A scheme based on the 10 wards would therefore have a significant impact on the sector.

## 7. Consultation

- 7.1 A wide ranging consultation programme on HBC's proposal to designate a Selective Licensing scheme was commenced in October 2014 for a period of 11 weeks in order to obtain the views of key stakeholders, including landlords, letting/managing agents, tenants, residents, businesses and stakeholder/representative organisations. The outcome of the consultation programme and the feedback received is presented in the detailed consultation report that is provided as an annexe to this report. An executive summary of the consultation report is attached to this report at Appendix 6.
- 7.2 Just over 800 responses were received during the consultation. 90 separate responses were received by email or in writing - 60% of these were from landlords, agents or landlord organisations. The number of responses by category of respondent was as follows:
- 266 - landlords - ranging from small to very large portfolios
  - 25 - letting/managing agents
  - 308 - owner-occupiers
  - 168 - private tenants
  - 23 - social housing tenants
  - 11 - businesses
  - 3 - landlord organisations
  - 2 - tenant organisations
  - 2 - advice agency/housing support service
  - 1 - university
  - 2 - county councillor/prospective parliamentary candidate
- 7.3 723 complete responses were received to the online survey questionnaire. Within the online survey, in addition to quantitative answers, general comments were received in open text fields as follows:
- 235 from residents
  - 143 from landlords and agents
  - 6 from business owners or managers
- 7.4 Respondents were also invited to share their experience of anti-social behaviour by providing written comments in open text fields. Overall a further 447 comments were received from residents, 46 from landlords/agents and 6 from businesses concerning anti-social behaviour.
- 7.5 The consultation exercise highlighted a broad range of views together with a lack of consensus about the likely effect of licensing on ASB. However, it is clear from the results of the online survey that a large majority of residents (83%) support HBC's proposal to introduce Selective Licensing.

- 7.6 Strong support from residents contrasts with vehement opposition from private landlords, managing agents, letting agents and landlords' associations (82% oppose licensing). Many are critical of licensing in principle as in their view it penalises good landlords unfairly; some question the legality of HBC's proposed licensing fees and proposals. They also question whether HBC's data really shows a causal link between the PRS and ASB.
- 7.7 For residents, ASB is a very real issue as indicated by the level of response on this aspect in the online survey. Whilst it is not always possible to attribute it to a particular tenure, it is clear that ASB can significantly reduce the quality of life for local communities.
- 7.8 Many residents expressed their concerns about noisy and inconsiderate neighbours, the effects of drugs, drug dealing and alcohol misuse, and unruly or threatening behaviour often fuelled by alcohol or substance misuse, untidy gardens, and rubbish dumping, as well as more serious forms of ASB. Some residents linked these issues to changing tenure patterns - the shift away from owner-occupation to the growing PRS in some parts of the town.
- 7.9 Landlords and agents felt they should not be held responsible for the actions of tenants in causing these sorts of problems, because they were unable to control their behaviour. They also mentioned the length and cost of legal action to evict tenants and suggested that currently HBC and local advice agencies automatically take the tenants' side or pursue homelessness prevention policies to delay the point at which they may have a duty to assist with their rehousing.
- 7.10 Residents were concerned about landlords and agents who do not manage their properties properly. Many felt that HBC and other bodies should take more action to deal with ASB by applying existing laws more effectively. Overall, residents supported licensing as a way of addressing ASB, improving the PRS and protecting tenants. However, there were also concerns expressed about whether HBC was in a position to enforce any scheme effectively.
- 7.11 It is unsurprising that no overall consensus about ASB and licensing emerged in the consultation, but it has identified key issues for HBC to consider, including the lawfulness of the draft proposals and associated charges, the evidence base, and ways to support landlords and agents in tackling ASB more effectively. Landlords and agents criticise the costs and the unfairness of charging good landlords as well as bad; and many are suspicious that licensing is a money raising exercise for the council.
- 7.12 The online survey, written comments and individual submissions demonstrate most residents' clear support for HBC's licensing proposals. Understandably some tenants felt unable to support the proposals due to the possibility that it could lead to their rent being increased. While landlords, agents and associations strongly oppose licensing schemes, others in the town broadly support it – even if some



have doubts about the capacity of HBC to enforce the scheme effectively.

- 7.13 The separate written submissions and wide ranging comments from the online survey, all make important contributions to the debate about the merits of licensing. Some landlords have made suggestions to make the scheme more palatable for them should it go ahead. Submissions from the RLA, NLA and the SLA focus on the legality of the licensing proposals. They raise issues about what licence fees may legitimately be spent on; the basis on which fees may be discounted; the reality of HBC's ASB evidence and business case; resources available for enforcement; and the general approach to tackling problems in the PRS. All of these are clearly important issues for the council to consider.



## Summary of key issues raised by landlords and agents

7.14 The following table provides a summary of the key issues raised by landlords and agents if the proposed licensing scheme were to go ahead and the response from HBC.

	<b>Issue</b>	<b>Response</b>
1.	Reduce the standard fee	Not agreed - in order to achieve bigger reductions as per 2 and 3 below.
2.	Bigger discount for early applications	Agreed - £185 now proposed.
3.	Bigger discount for members of recognised bodies, RLA, SLA, NLA, etc., e.g. on a par with the 'early bird' application fee	Agreed - £330 now proposed.
4.	Landlords/agents governed by RICS code of practice or if they are ARLA members should be exempt from licensing	Not agreed - in order to maximise reductions for early applications.
5.	Reduced fee for flats in HMOs already subject to Additional Licensing	Not agreed - but see 10 and 11 below.
6.	Provide discount for landlords with more than one property, especially if they are flats in the same building	Not agreed - but see 10 and 11 below.
7.	Be clear about the maximum discount obtainable if more than one category applies	Agreed - maximum reduced fee during first 6 months - £150 now proposed.
8.	Enable payment by instalments, e.g. stage payments or an annual fee	Agreed - phased payment by direct debit proposed for landlords with 10 or more properties, in the designated area.

9.	Sliding scale/tiered fee structure, e.g. based on size of accommodation (query as to why fee is the same for a studio/1 bed flat as for a 4 bed family house?) or quality of accommodation (to reward good landlords)	Not agreed - as the administration input is the broadly same regardless of size of accommodation and time for property inspection and compliance checks also is broadly the same.
10.	Only one licence for a block of flats or a converted building where all flats are owned by the same landlord	Where the freeholder also owns all the flats in an HMO and holds an HMO Additional Licence, individual Selective Licences are not required for each flat.
11.	Landlords already possessing an HMO licence should be exempt from Selective Licensing if they can demonstrate they manage other properties to the same standard	See 10 above. General exemption not viable as inspection would still be required.
12.	Provide exemption for charities, such as Magdalen & Lasher	Agreed - Licence fee to be waived but properties will still require a licence.
13.	30% penalty for non-compliance is not sufficient to encourage 'rogue' landlords to apply	The European Services Directive prohibits penalty payments; and a 30% penalty is no longer proposed.
14.	Penalise landlords where their property is subject to adverse report and charge them for investigation and enforcement	See 13 above. Where enforcement leads to a successful prosecution a landlord can be fined and HBC can seek to reclaim its costs.
15.	Provide training and support for landlords and agents to help tackle ASB; and develop a partnership approach with HBC and the police	Agreed - Landlord training programme to continue.
16.	Will Selective Licensing apply to holiday lets and short-term lettings?	Selective Licensing would not apply to holiday lets. Other short-term letting arrangements need to be separately considered in each case.

7.15 HBC has given careful consideration to the comments and issues raised by landlords and agents during the consultation and has decided to make some amendments to the proposed scheme as follows:

**Proposed Area** - Reduce the size of the area from ten wards to seven, namely: Braybrooke, Castle, Central St Leonards, Gensing, Old Hastings, Ore and Tressell

**Fees** - The following changes are proposed to the fee structure:

- Lowering the 'early bird' fee to **£185** where applications are received within 6 months of the scheme starting
- Lowering the fee for **landlords who are members of a recognised professional body or national accreditation scheme** to **£330**
- If both these criteria apply, a new **combined reduced fee** of **£150** for landlords who are members of a recognised professional body or national accreditation scheme where applications are received within 6 months of the scheme starting
- To accommodate these significant reductions for better landlords increase the standard fee to **£460**

**Payment Arrangements** - Phased payment via direct debit will be available for landlords with ten or more properties in the designated area.

**Registered Charities** - Those that own and manage housing in the designated area will be exempt from the licence fee (but not from the need to obtain a licence)

7.16 **The combined impact of these proposed reductions would be to lower fee costs considerably for better landlords who register early and is a genuine desire to respond to those concerns raised by landlords and their representatives through the public consultation who argued that more should be done to penalise and tackle bad landlords that would seek to evade licensing.**

7.17 A number of other key issues were raised and these are responded to as follows:

**Impact of Licence Fee on Rents** - This is addressed in paras. 10.11-10.14

**Deterring investment** - The implementation of statutory and Additional Licensing schemes covering HMOs does not appear to have dampened enthusiasm for investment in the town as the PRS continues to grow.

**Landlord obligations for ASB** - It is acknowledged that landlords cannot be held directly responsible for their tenants' behaviour. However, given the impact that ASB can have on the quality of life of other residents and the local community it is important for landlords to have effective management arrangements in place, including tenancy agreements that include provisions for dealing with problems of ASB.

**Resources for enforcement** - HBC takes a pro-active approach to housing enforcement and consistently outperforms other Boroughs and Districts in this area. It is committed to looking at innovative ways of intervening such as the ongoing work in Central St Leonards Renewal Area, which includes an enhanced enforcement role. Where enforcement action is necessary and leads to a successful prosecution HBC is able to apply for payment of its costs and will always seek to recoup the full cost of the officer time involved.

**Decent homes standard** - It is accepted that private landlords are not legally obliged to meet the Decent Homes Standard (DHS) at their properties. However, since the abolition of the 'fitness standard', successive Governments have used the DHS as a means of assessing and comparing conditions at residential properties, as evidenced by the regular English Housing Survey.

**Selective Licensing is only concerned with ASB** - It is accepted that the designation of a Selective Licensing scheme can only be based on evidence of low housing demand or anti-social behaviour. However, once designated, local authorities have discretion to attach conditions to licences pertaining to the standards of accommodation offered and in this respect it is appropriate for HBC to take account of current property conditions.

**Options appraisal** - The purpose of the options appraisal is to consider options for helping to achieve HBC's Housing Strategy objectives for the PRS. Whilst the Anti-Social Behaviour, Crime and Policing Act 2014 has a part to play in helping to combat the worst cases of ASB it is only part of the toolkit available to address the problem. The role that the Act can play in relation to the PRS is discussed further at paras. 5.26-5.28 above.

**Mapping ASB by Tenure** - ASB reported to the Police and HBC has been mapped by all tenures and the information is presented at Annexe 1.

**Consider the experience of Additional Licensing** - HBC has recently completed a review of the Additional Licensing scheme and the outcome has informed this report. See paras. 4.7-4.10 above.

**Specify outcomes and targets more clearly** - Outcomes against which the success or failure of the proposed scheme can be assessed are set out at chapter 11.

**RLA Co-regulation Model** - HBC would welcome further discussion about how this might complement licensing in the proposed area and other areas of the town not covered by licensing.

**Joint Agency Hub Approach** - Private landlords' involvement in the multi-agency hub meetings is welcomed and HBC is keen to discuss this further.

## **Other Views Received**

- 7.18 A number of other organisations have given their views on the proposed scheme as follows:

### **Rother District Council**

Rother DC surrounds Hastings and includes towns such as Bexhill, Battle and Rye. The 'informal' view is that officers do not consider that this scheme, if successful, is likely to result in an adverse impact within Rother due to different nature of the housing stock locally, as well as property price differentials.

### **East Sussex Fire & Rescue Service**

East Sussex Fire & Rescue Service is generally supportive of the proposed scheme. They are keen to use the scheme to target the more at risk groups that are usually residing in this type of property by ensuring that appropriate fire safety advice is given to private tenants in licensed premises. To achieve this they have suggested that the licence could include the requirement on landlords to ensure that tenants get a Home Safety visit from the fire service.

### **Orbit Housing Group**

Orbit is the second largest provider of social housing in Hastings and has expressed the following views:

As a provider of great homes and services, Orbit welcomes anything that adds value to the lives and experience of the communities we work in. We have evidence that whilst some landlords offer great services, regrettably some do not. There are areas of great hardship in Hastings and poor housing and poor housing services result in further impoverishment in the lives of affected local people, depressing the impact of the many improvements the Council and other providers like ourselves are delivering to try and boost the community infrastructure and community experience.

Tellingly, we have staff who live in private rented accommodation and they are very much in favour of this scheme. We would be happy to support the sharing of good practice that may come with the implementation of the scheme.

## **8. Proposed Way Forward**

### **The Proposal**

8.1 There is sufficient evidence of persistent and significant ASB in seven of the ten wards where there are above average levels of private renting and the evidence suggests a clear link between ASB and private rented homes that is not being adequately addressed by private landlords. To address this it is proposed that a Selective Licensing scheme is designated for a five-year period to cover the seven wards, namely:

- Braybrooke
- Castle
- Central St Leonards
- Gensing
- Old Hastings
- Ore
- Tressell

8.2 Designating a Selective Licensing scheme in this way is consistent with the co-ordinated approach adopted between partner agencies and HBC to deal with ASB. However, if landlords switch their investment strategy away from the proposed licensing area, there is a danger that ASB and other problems associated with the PRS will be displaced into Maze Hill, Silverhill and West St Leonards wards at some stage in the future if they are not included in the scheme and this is something that will need to be kept under careful review.

8.3 Although HBC already has an Additional Licensing scheme for HMOs in operation in four of the wards proposed for Selective Licensing, Additional Licensing requires only that a licence is issued in respect of the whole building and where at least one third of the flats are rented on a short term basis. Many of the HMOs contain a number of self-contained flats, often in different ownership and with different management arrangements. With the exception of HMOs where the freeholder owns all the flats in the building and has an HMO licence, Selective Licensing will require that each individual flat is licensed providing greater protection for tenants and ultimately the achievement of better housing standards. It will also apply to any rented flats in section 257 HMOs not required to be licensed under Additional Licensing where less than a third of dwellings are let on short-term tenancies.

### **The Benefits**

8.4 Designating a Selective Licensing scheme will deliver a range of positive benefits for the residents of Hastings and St Leonards:

- Tenanted properties will be managed more effectively and issues of ASB within properties addressed and reduced, which will benefit tenants and local communities.



- Long-term improvement of privately rented homes - currently 49% fail to meet the Decent Homes Standard in Hastings compared to the national average for the PRS of 40% (Compares with 3% - social housing & 34% - owner-occupiers in Hastings).
- Takes tension out of the relationship between landlord and tenant - Repairs and improvements will be required by HBC, rather than tenant complaining and subsequently losing their tenancy through retaliatory eviction.
- A consistent approach will be achieved towards assessing and improving housing conditions across much of the PRS and tenants will know the level of quality to expect.
- Reduced turnover leading to more settled communities.
- Improved neighbourhoods should lead to a positive impact on property values
- Landlords with a poor track record will be prevented from continuing to operate if they fail the 'fit and proper person' test

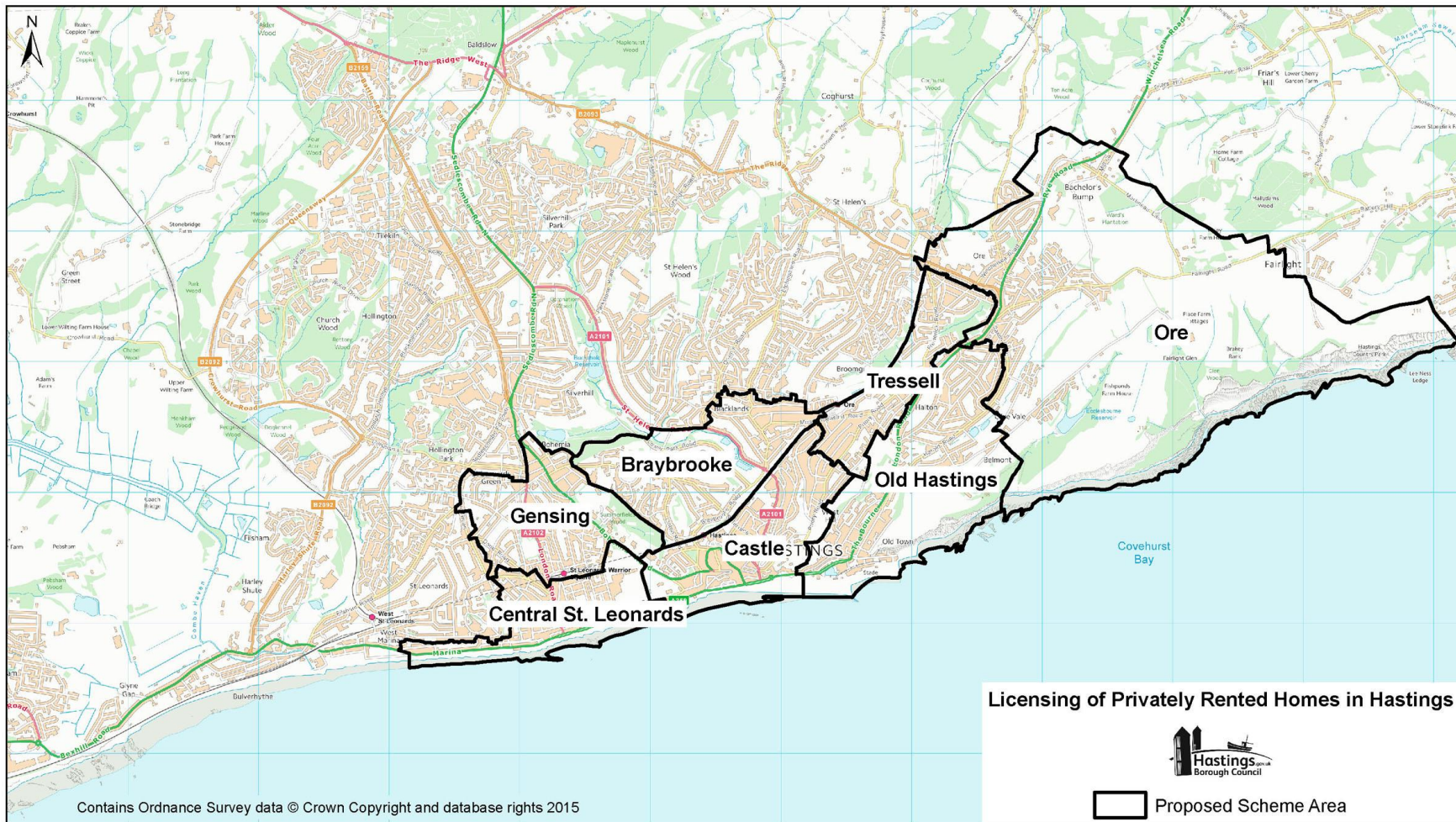
### **Risk Assessment**

- 8.5 Potential risks associated with introducing Selective Licensing are summarised and addressed in the Risk Log attached at Appendix 7.

### **Equalities Impact Assessment**

- 8.6 An equalities impact assessment has been carried out to assess the impact of introducing Selective Licensing. This is attached at Appendix 8 and concludes that there are no specific equalities issues requiring attention at this stage but the position may need to be reviewed following consultation should HBC decide to proceed further with a proposed designation.

## 9. Map of Proposed Selective Licensing Area



## 10. Scheme Costs and Fee Structure

### Resources & Scheme Costs

- 10.1 HBC has considerable experience of mandatory licensing and running the Additional Licensing scheme for HMOs in the four town centre wards as both schemes cover in excess of 2,500 HMO buildings. Both schemes have proved complex to administer given the size of many of the HMOs and the diversity of legal interest in each building. This has stretched available staff resources to the limit as each licence application is currently processed manually. If HBC decides to designate a Selective Licensing scheme covering the seven wards with above average levels of PRS this would require licence applications for around 9,000 dwellings. Processing this number of applications manually is not an option if HBC wishes to administer the scheme efficiently and effectively and at reasonable cost.
- 10.2 If a scheme is adopted it is proposed to automate the application and licence generation processes as much as possible using the existing HBC customer relationship management system and the housing renewal computer system. Both systems will need upgrading and application and administration processes will need remodelling. Initial feasibility work has concluded that it is possible to achieve this and the staffing levels proposed take this into account.
- 10.3 Current projections indicate seven field staff and a core team of four support staff are required to administer the proposed scheme. In the first year or so it is envisaged that additional support staff will be required to help respond to the large number of licence applications anticipated early on. Up to four additional temporary staff will be recruited in year 1 to help provide flexibility in responding to peaks and troughs in the first year and subsequent years, if necessary. It is expected that the core team of support staff will reduce towards the end of the scheme as applications taper off. The following table sets out the projected number of staff required to administer the scheme throughout a five-year life.

<b>Staffing Resources</b>					
	<b>Yr 1</b>	<b>Yr 2</b>	<b>Yr 3</b>	<b>Yr 4</b>	<b>Yr 5</b>
<b>Management staff</b>					
Senior manager	0.5	0.5	0.5	0.5	0.5
Team Leader	1	1	1	1	1
<b>Total Management</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>
<b>Support staff</b>					
Number of Support Officers	4	4	4	3	3
Number of temporary staff	*4	1	0	0	0
<b>Total Support</b>	<b>8</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>3</b>
	* for 6 mths				
<b>Field Staff</b>					
Number of Field staff	6	6	6	6	6
<b>Total Field</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
<b>Total All Staff</b>	<b>15.5</b>	<b>12.5</b>	<b>11.5</b>	<b>10.5</b>	<b>10.5</b>

10.4 Although the number of support staff will vary over the life of the scheme, the number of field staff will need to remain steady to ensure that as many of the properties needing a licence are identified, licensed and inspected.

10.5 The cost of running the scheme over 5 years is estimated at £2,608,400. This includes assumed annual inflation of 2.5%. It also assumes 100% property inspection, including initial, compliance and monitoring visits. Details of the costs are set out in the table below. Items included in the scheme costs are based on LGA guidance on locally set fees<sup>22</sup>.

<b>Scheme Costs</b>	<b>Yr 1</b>	<b>Yr 2</b>	<b>Yr 3</b>	<b>Yr 4</b>	<b>Yr 5</b>	<b>Totals</b>
Salaries	£395,000	£404,875	£414,997	£425,372	£436,006	£2,076,250
Temporary staff	£80,000	£40,000	-	-	-	£120,000
10% on costs and 2% management costs	£47,400	£48,585	£49,800	£51,045	£52,321	£249,150
IT infrastructure and maintenance	£14,000	£14,000	£14,000	£14,000	£14,000	£70,000
Consultation	£6,000	£6,000	£6,000	£6,000	£6,000	£30,000
Publicity/Advertising	£7,000	£7,000	£7,000	£7,000	£7,000	£35,000
Postage	£3,600	£3,600	£3,600	£3,600	£3,600	£18,000
Stationery	£2,000	£2,000	£2,000	£2,000	£2,000	£10,000
<b>Total</b>	<b>£555,000</b>	<b>£526,060</b>	<b>£497,397</b>	<b>£509,017</b>	<b>£520,927</b>	<b>£2,608,400</b>

### Fee Structure

10.6 HBC will need to charge a fee to cover the scheme running costs. For initial budgeting purposes it is assumed that licensing will be achieved at 80% of the estimated privately rented dwellings in the wards being considered, which amounts to approximately 7,100 homes. This will account for error in the estimated number and fluctuations in the market. It is anticipated that the bulk of applications will be received in the early years and the income stream is modelled on this basis. The table below sets out the total scheme costs including the cost of offering reduced rate fees and the projected fee income needed to recoup costs.

<b>Total Scheme Costs &amp; Projected Fee Income</b>						
	<b>Yr 1</b>	<b>Yr 2</b>	<b>Yr 3</b>	<b>Yr 4</b>	<b>Yr 5</b>	<b>Totals</b>
<b>Scheme Costs</b>	<b>£555,000</b>	<b>£526,060</b>	<b>£497,397</b>	<b>£509,017</b>	<b>£520,927</b>	<b>£2,608,400</b>
Projected licences	2,800	1,900	1,200	800	418	<b>7,118</b>
<b>Income from Licences</b>	<b>£729,003</b>	<b>£848,233</b>	<b>£525,363</b>	<b>£340,998</b>	<b>£164,803</b>	<b>£2,608,400</b>
<b>Cost of licence</b>						
a) 'Early Bird'	<b>£185</b>					
b) Accredited Landlord	<b>£330</b>					
a) + b) Combined	<b>£150</b>					
Full licence fee	<b>£460</b>					

<sup>22</sup> Open for business - LGA guidance on locally set fees - LGA Briefing January 2014

- 10.7 Three forms of reduced fee are proposed within the scheme, which recognise the contribution of responsible landlords:
- An ‘early bird’ rate in the first 6 months of the scheme, reducing the cost of a licence to £185
  - A lower cost for membership of a recognised professional body or national landlord accreditation scheme, reducing the cost of a licence to £330
  - If both these criteria apply then the cost of a licence will reduce further to £150 for responsible landlords
- 10.8 Based on the size of the current proposed scheme a standard fee of £460 per licence is required to cover running costs and proposed reduced fees over the full five-year life of the scheme. The cost of the proposed fee reductions is built in to the model, which seeks to recoup the costs throughout the life of the scheme.
- 10.9 HBC has engaged an external accountant to review the budget for the scheme costs and the anticipated income generated from the proposed fee structure and he has independently verified that they are satisfactory.
- 10.10 HBC is not permitted to make a profit/surplus from the scheme, which means it will need to review regularly the cost of running the scheme and the projected income stream from licences. This could mean that the fees charged may need to be adjusted upwards or downwards in the event that the number of applications received deviate from the assumed income profiles.
- 10.11 If HBC decide to designate a scheme it would make sense if the proposed reduced fees for Selective Licensing are adopted for the current Additional Licensing scheme in order to provide a fair system for all applicants and to achieve efficient administration of both schemes.

### **Impact of selective licensing on rents**

- 10.12 The consultation highlighted that there is a risk that landlords will seek to pass on the cost of the licence fee to tenants by increasing rents when they can. This is a cause for concern in the context of the Council’s Anti-Poverty Strategy, which seeks to help reduce and mitigate the impact of poverty in Hastings and St Leonards. Many private tenants are on low incomes and rely on financial support to help with rent payments via housing benefit, even when they are in employment. It is hoped that responsible landlords will view licence fees as a legitimate business expense and factor the cost in to their business plans. As a legitimate business expense the cost of a licence may possibly also be offset against tax liabilities.
- 10.13 Assuming that many responsible landlords take up the offer of the ‘early bird’ discount, the cost of the proposed reduced licence fee is £185 and when spread over the 5 year period it works out at £3.08 a month or 71p

per week. To put this in context this would be less than the cost of a weekly espresso coffee. For those landlords who are members of a nationally recognised body or accreditation scheme benefiting from the combined reduced fee of £150 during the first 6 months, the monthly cost works out at £2.50 or 58p per week; Roughly the cost of a first class stamp. In reality the proposed cost will be quite small for those landlords who apply early in comparison to the benefits of the proposed scheme for both tenants and responsible landlords. The evidence from Additional Licensing for HMOs is that rents have remained relatively stable across the four wards in which the scheme operates and have not increased at a faster rate than elsewhere in the borough where Additional Licensing is not in place. It would appear therefore that that most landlords have absorbed the cost of the fee and not always increased rents. However, clearly this must be acknowledged as a risk.

- 10.14 Where tenants are in receipt of housing benefit and their rent is at the Local Housing Allowance (LHA) rate maximum and the landlord wishes to increase it, the tenant would need to find the additional amount from other income. Where the current rent is below the LHA rate maximum it is possible that the increase could be contained with the LHA rate and thus minimise the impact.
- 10.15 In the event that tenants are presented with a rent increase, it will be important that HBC signposts appropriate advice services to ensure that the proper procedures for increasing rents are followed and that the tenant can access welfare rights advice to ensure that they are maximising their income.

## **11. Reviewing Progress & Exit Strategy**

- 11.1 The Housing Act 2004 requires local authorities to review their additional and selective licensing schemes from time to time and to revoke the scheme if they consider this to be the most appropriate action. A process of review will be useful to assess whether there are ways of making the scheme more effective and ultimately to determine the success of the scheme in its later stages with a view to informing the exit strategy. It is proposed that an initial review is carried out at the end of year 2 with a further review at the end of year 4 to help decide on the exit strategy before the five years have elapsed.
- 11.2 The intention is to update similar information to the baseline data presented in this report to inform progress against agreed outcomes, possibly supplemented with further survey work to assess people's perceptions of the progress achieved. Dependant on the legislative requirements, the Council intends carrying out a further private sector house condition survey during the course of the next five years and this will be timed and structured in such a way as to help inform the review process for the scheme.
- 11.3 It is recognised that licensing is part of an overall approach to help regenerate the town and outcomes achieved may not be solely as a result of licensing. With this caveat, progress will be assessed against the following key outcomes:
- Reduction in anti-social behaviour
  - Improvements in housing conditions for private tenants
  - Improved management standards
  - Reduction of empty properties

## 12. Summary and Conclusion

- 12.1 Hastings has a private rented sector that is almost twice the national average at 29% of all households and nearly 12,000 homes. Clearly the PRS has an important role to play in meeting housing need and also to help house the growing number of students choosing to study at the University Centre Hastings.
- 12.2 Ten of the town's sixteen wards have a PRS that is higher than the national and regional average and in three of these it exceeds 50% of all households. Although the evidence suggests that partnership activity is having a positive impact on helping to reduce ASB in Hastings, the town still has a high level of ASB compared with other similar coastal areas and neighbouring authorities. In seven of these wards there is strong evidence of significant and persistent ASB and that there is a clear link between ASB and private rented homes that is not being adequately addressed by private sector landlords. There is a good case for designating a Selective Licensing scheme that will cover all seven wards, which contain almost 9,000 households.
- 12.3 Designating a Selective Licensing scheme will help improve the management of the PRS and will help to continue to secure a reduction in ASB. It will also contribute towards the housing strategy objective of driving up housing standards, whilst at the same time providing tenants with better information about properties they may be planning to rent.
- 12.4 Over the past fifteen years or so HBC has adopted a range of positive strategies to help address private sector housing problems and has committed significant staff and financial resources to address them. Much has been achieved but significant issues remain in and around the town centre areas and it is important to sustain previous improvements achieved through HBC investment and action with its partners. The options appraisal carried out supports the conclusion that designating a Selective Licensing scheme in these seven wards will best meet the objective of ensuring landlords exercise appropriate management and supervision of their properties to help reduce any adverse impact on the neighbourhood, e.g. from ASB.
- 12.5 The consultation has highlighted opposing opinions on licensing. Residents of the town largely support licensing (83%), although some tenants have reservations or oppose it, whilst landlords and agents on the whole are opposed to it (82%). However, whilst the population of Hastings is larger than the number of landlords owning property in the town it would not be appropriate to simply base a decision on a majority view. The majority of respondents who supported licensing expressed a preference for a Borough wide scheme (83% of residents and 79% of landlords/agents). However, whilst there is sufficient evidence to indicate that a scheme will meet legislative requirements in the seven wards proposed, this is not the case for the other nine wards. For this reason a whole Borough scheme is not appropriate.



- 12.6 A number of helpful suggestions for improving the proposed scheme were received during the consultation and amendments have been made where possible. The projected cost of running the scheme over 5 years can be met by offering an 'early bird' reduced fee of £185 for the first 6 months; a reduced fee of £330 for membership of a recognised professional body or national landlord accreditation scheme throughout the life of the scheme; if both these criteria are met, a combined reduced fee of £150 during the first 6 months; and by charging a standard fee of £460 for all other applications.
- 12.7 If HBC decide to designate a scheme it is recommended that the proposed reduced fees for Selective Licensing are adopted for the current Additional Licensing scheme to provide a fair system for all applicants and to achieve efficient administration of both schemes.
- 12.8 Designating a Selective Licensing scheme on the grounds of persistent and significant anti-social behaviour in seven of the wards with higher than average levels of private renting is consistent with the HBC Housing Strategy and the HBC co-ordinated approach towards homelessness and tackling empty homes. It is also consistent with the co-ordinated approach adopted between partner agencies and HBC to deal with anti-social behaviour.
- 12.9 In conclusion, the evidence in this report demonstrates that seven wards - Braybrooke, Castle, Central St Leonards, Gensing, Old Hastings, Ore and Tressell, are all experiencing a significant and persistent problem caused by anti-social behaviour; and some of the private sector landlords with properties in these wards are failing to take appropriate action to combat the problem. Designating a Selective Licensing scheme will, when combined with other measures taken in the area by HBC, Sussex Police and others, lead to a reduction in the problem. Although the majority of landlords, managing/letting agents, their professional associations and some private tenants are opposed to licensing, there is overwhelming support from residents for the introduction of a licensing scheme. The designation of a Selective Licensing scheme in the seven wards proposed is recommended as the most effective means of complementing the range of initiatives in place to assist the continuing regeneration of Hastings and help deliver HBC's Housing Strategy.
- 12.10 However, HBC will need to base its decision on whether or not to proceed with a policy of Selective Licensing in respect of PRS dwellings in the town not only on the strength of the evidence concerning ASB and the PRS and the legal framework but also on the outcome of the consultation process. Ultimately, it will be for HBC Cabinet members to assess the relative merits of Selective Licensing, taking account of relevant evidence, the issues that have emerged from the consultation and the suggested amendments to the proposed scheme, before adopting or rejecting it as a new policy.

## Appendices

### 1. Legal Framework for Discretionary Licensing of the Private Rented Sector

Discretionary licensing of private rented property is governed by the Housing Act 2004 (the Act) Parts 2 and 3, which gave local authorities the power to introduce Additional Licensing for small HMOs not covered by the mandatory HMO licensing scheme, and Selective Licensing of other private rented properties, in both cases either across the whole area or in a part or parts of the area. The legislation is supplemented by guidance on introducing discretionary licensing from Communities and Local Government: 'Approval steps for additional and selective licensing designations in England', which was updated in February 2010.

#### **Additional Licensing (Sections 55-78 Housing Act 2004)**

Additional licensing under section 56 of the Act allows the local authority to extend the mandatory HMO licensing scheme to include other types of HMO. Section 56 (2) states that:

'The authority must consider that a significant proportion of the HMOs of that description in the area are being managed sufficiently ineffectively as to give rise, or to be likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public.'

CLG guidance<sup>23</sup> provides examples of properties being managed sufficiently ineffectively, and that as a result are having a detrimental affect on a local area. These include:

- Those whose external condition and curtilage (including yards and gardens) adversely impact upon the general character and amenity of the area in which they are located.
- Those whose internal condition, such as poor amenities, overcrowding etc, adversely impact upon the health, safety and welfare of the occupiers and the landlords of these properties are failing to take appropriate steps to address the issues.
- Those where there is a significant and persistent problem of anti social behaviour affecting other residents and/or the local community and the landlords of the HMOs are not taking reasonable and lawful steps to eliminate or reduce the problems.
- Those where the lack of management or poor management skills or practices are otherwise adversely impacting upon the welfare, health or safety of residents and/or impacting upon the wider community.

Before an Additional Licensing designation is made, under section 57

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<sup>23</sup> 'Approval steps for additional and selective licensing designations in England' February 2010, CLG

of the Act, the Council must also consider that the exercise of the power is consistent with its overall housing strategy and it must also adopt a co-ordinated approach in connection with dealing with homelessness, empty properties, and anti-social behaviour affecting the private rented sector. In addition, the Council must have considered before making a designation, whether there are any other courses of action available that might achieve the objectives that licensing is intended to achieve. The Council must also consider that discretionary licensing will significantly assist the achievement of the objectives of making the scheme.

### **Selective Licensing (Sections 79-98 Housing Act 2004)**

In order to designate an area for Selective Licensing the Council must be satisfied that one of two general conditions is met. The first relates to low housing demand.

#### **Section 80 (3.)**

‘The area is, or is likely to become, an area of low housing demand and that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, contribute to the improvement of the social or economic conditions in the area’.

Section 80 (4) In deciding whether an area is, or is likely to become, an area of low housing demand a local housing authority must take into account (among other matters)

- (a) the value of residential premises in the area, in comparison to the value of similar premises in other areas which the authority consider to be comparable (whether in terms of types of housing, local amenities, availability of transport or otherwise);
- (b) the turnover of occupiers of residential premises;
- (c) the number of residential premises which are available to buy or rent and the length of time for which they remain unoccupied.’

The second relates to anti-social behaviour:

#### **Section 80 (6)**

- (a) that the area is experiencing a significant and persistent problem caused by anti-social behaviour;
- (b) that some or all of the private sector landlords who have let premises in the area (whether under leases or licences) are failing to take action to combat the problem that it would be appropriate for them to take; and
- (c) that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, lead to a reduction in, or the elimination of, the problem.

For the purpose of discretionary licensing section 57 of the Act defines anti-social behaviour as:

- ‘Conduct on the part of occupiers, or visitors to, residential premises:
- a) which causes or is likely to cause a nuisance or annoyance to persons residing, visiting, or otherwise engaged in lawful activities in the vicinity of such premises, or
  - b) which involves or is likely to involve the use of such premises for illegal purposes.

This is the definition of anti-social behaviour that must be used, even though there are alternatives set out in other pieces of legislation.

‘Private sector landlord’ does not include a non-profit registered provider of social housing or a registered social landlord within the meaning of Part 1 of the Housing Act 1996 (c. 52).’

Until April 2010 all designations had to be agreed by the Secretary of State, however following a general consent order (Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Housing Accommodation (England) General Approval 2010) local authorities now have the power to designate a discretionary licensing scheme.

CLG guidance<sup>24</sup> confirms that a designation may be made if the area to which it relates satisfies one or both of the conditions.

In order to meet these conditions sufficient evidence must be presented. The guidance provides an outline of the information that should be evidenced, as follows:

### **Low Housing Demand**

When deciding if an area is suffering from, or likely to become, an area of low housing demand, section 80(4) of the Act requires authorities to consider the following factors:

- The value of residential premises in the area, in comparison to the value of similar premises in other areas, which the authority considers to be comparable (whether in terms of type of housing, local amenities, availability of transport).
- The turnover of occupiers of residential premises. (in both rented and bought sectors).
- The number of residential premises which are available to buy or rent, and the length of time for which they remain unoccupied.

Authorities should also consider other factors that may include:

- A lack of mixed communities in terms of tenure, for example, a high proportion of rented property, low proportion of owner occupied properties.
- A lack of local facilities, for example, shops closing down.
- The impact of the rented sector on the local community, for example, poor property condition, anti-social behaviour etc.

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<sup>24</sup> ‘Approval steps for additional and selective licensing designations in England’ February 2010, CLG

- Criminal activity.

The second set of factors above, are examples of the types of characteristics, which an area suffering from low demand, or is likely to become such an area, could demonstrate. These examples are clearly not exhaustive characteristics of an area in low demand, neither are the factors mutually exclusive.

### **Anti-Social Behaviour**

Section 80(6)(a) of the Act gives Authorities the power to make a Selective Licensing designation if the area is experiencing a significant and persistent problem caused by anti-social behaviour.

An area can be deemed to be suffering from significant and persistent anti-social behaviour if it suffers from:

**Crime:** tenants not respecting the property in which they live and engaging in vandalism, criminal damage, burglary, robbery/theft and car crime.

**Nuisance Neighbours:** intimidation and harassment; noise, rowdy and nuisance behaviour; animal related problems; vehicle related nuisance. Tenants engaged in begging; anti-social drinking; street prostitution and kerb crawling; street drugs market within the curtilage of the property.

**Environmental Crime:** tenants engaged in graffiti and fly-posting; fly-tipping; litter and waste; nuisance vehicles; drugs paraphernalia; fireworks misuse in and around the curtilage for their property.

Section 80(6)(b) of the Act requires authorities to consider that: Some or all of the private sector landlords who have let premises in the area are failing to take action to combat such problems that it would be appropriate for them to take.

This is amplified by CLG guidance, which states that:

‘A landlord has responsibility to ensure persons he has permitted to reside at a property do not cause an annoyance or nuisance to other persons residing in it, or other persons living, working or visiting the immediate neighbourhood. If anti-social behaviour is being carried out within the immediate vicinity of the property and is being caused by the occupiers of it, then it would be reasonable to expect a landlord to ensure that those persons are not conducting themselves in a way that is adversely impacting on the local community. This applies equally to visitors to the property. Therefore, if an authority wishes to make a designation based on anti-social behaviour they will need to establish that the problem is directly attributable to the behaviour of the occupiers of, or visitors to, a property and that these landlords are failing to deal with their tenants behaviour.’

Under section 80 of the Act, before a Selective Licensing designation is made, the Council must also consider that the exercise of the power is consistent with its overall housing strategy and it must also adopt a co-ordinated approach in connection with dealing with homelessness,

empty properties, and anti-social behaviour affecting the private rented sector. In addition, the Council must have considered before making a designation, whether there are any other courses of action available that might achieve the objectives that licensing is intended to achieve. The Council must also consider that discretionary licensing will significantly assist the achievement of the objectives of making the scheme.

### **General Issues**

Where the statutory conditions for introducing a discretionary licensing scheme are satisfied, the Council must take reasonable steps to consult persons who are likely to be affected by the designation and consider any representations made in accordance with the consultation.

Public notice of a designation must be given once it is made and the designation cannot come into force until 3 months after the date it is made. Following a general consent order dated 30 March 2010 Secretary of State approval is no longer required for the designation of discretionary licensing schemes, however, it stipulates that the consultation period should be not less than ten weeks.

A scheme designation can last for up to five years and must be reviewed from time to time. If appropriate the designation may be revoked.

Landlords or their agents are required to apply for a licence, for which the Council can charge a fee.

The licence holder is required to be a 'fit and proper person' to be a licence holder.

A set of mandatory conditions will apply to discretionary licences and these can be supplemented by further discretionary conditions.

### **Properties covered by Selective Licensing**

By making the designation, all privately rented accommodation in the designated area will require a licence. Owners of rented properties will be required to make an application to the Council for a licence and will need to nominate either the manager or the owner to be the licence holder.

Section 79(2) details those houses that are covered and this is defined as a whole house that is occupied either under:

- a) A single tenancy or licence,
- b) Under two or more tenancies or licences in respect of different dwellings contained in it.

## 2. The Private Rented Sector – Census Data

Table i) Hastings - Tenure (Households)				
	2001		2011	
Owner-Occupied	23,901	63.6%	22,706	55.2%
Social Rented	5,933	15.8%	5,988	14.5%
<b>Private Rented</b>	<b>7,192</b>	<b>19.1%</b>	<b>11,863</b>	<b>28.8%</b>
Other	578	1.5%	602	1.5%
Total	37,604	100.0%	41,159	100.0%

Source: Office for National Statistics

Table ii) England - Tenure (Households)				
	2001		2011	
Owner-Occupied	14,054,122	68.7%	13,975,024	63.3%
Social Rented	3,940,728	19.3%	3,903,550	17.7%
<b>Private Rented</b>	<b>2,037,470</b>	<b>10.0%</b>	<b>3,715,924</b>	<b>16.8%</b>
Other	419,107	2.0%	468,870	2.1%
Total	20,451,427	100.0%	220,633,68	100.0%

Source: Office for National Statistics

Table iii) South-East - Tenure (Households)				
	2001		2011	
Owner-Occupied	2,431,459	74.0%	2,404,517	67.6%
Social Rented	458,965	14.0%	487,473	13.7%
<b>Private Rented</b>	<b>334,392</b>	<b>10.2%</b>	<b>578,592</b>	<b>16.3%</b>
Other	62,673	1.9%	84,881	2.4%
Total	3,287,489	100.0%	3,555,463	100.0%

Source: Office for National Statistics

### 3. Anti-Social Behaviour - Reported to the Council

<b>Noise Other (also includes Noise Neighbours) 2010/11-2013/14</b>					
Ward	2010/11	2011/12	2012/13	2013/14	Total
Gensing	61	46	49	27	183
Castle	64	42	41	39	186
Central St Leonards	53	45	47	49	194
Ore	14	46	25	17	102
Maze Hill	11	50	18	13	92
Baird	57	12	8	13	90
West St Leonards	9	57	9	17	92
<b>Ward Average</b>					<b>86</b>
Old Hastings	17	21	27	16	81
Hollington	20	21	22	18	81
Braybrooke	19	14	19	8	60
Tressell	8	14	13	11	46
Ashdown	8	15	7	11	42
Conquest	16	6	6	0	28
Wishing Tree	5	16	6	17	44
Silverhill	9	3	13	10	35
St Helens	5	5	10	5	25
<b>Total</b>	<b>376</b>	<b>413</b>	<b>321</b>	<b>271</b>	<b>1381</b>
Wards with higher than average PRS					

Source: HBC Housing & Planning Services

<b>Noise Music 2010/11-2013/14</b>					
Ward	2010/11	2011/12	2012/13	2013/14	Total
Central St Leonards	129	88	78	123	418
Gensing	136	108	67	81	392
Castle	106	79	68	58	311
<b>Ward Average</b>					<b>125</b>
Ore	34	35	30	21	120
Tressell	31	24	29	20	104
Old Hastings	24	24	37	14	99
Braybrooke	26	29	23	14	92
Hollington	26	28	18	18	90
Wishing Tree	23	18	20	17	78
West St Leonards	9	16	12	41	78
Baird	25	19	14	13	71
Maze Hill	20	9	13	14	56
Ashdown	19	11	11	12	53
Silverhill	4	7	3	2	16
St Helens	4	1	1	5	11
Conquest	1	3	1	2	7
<b>Total</b>	<b>617</b>	<b>499</b>	<b>425</b>	<b>455</b>	<b>1996</b>
Wards with higher than average PRS					

Source: HBC Housing & Planning Services



**Noise Parties  
2010/11-2013/14**

Ward	2010/11	2011/12	2012/13	2013/14	Total
Central St Leonards	15	10	14	5	44
Castle	9	9	8	3	29
Gensing	11	4	6	6	27
Baird	4	4	5	2	15
Ashdown	4	6	3	1	14
Ward Average					13
Old Hastings	4	2	5	0	11
Tressell	2	3	3	3	11
Wishing Tree	1	1	6	3	11
Ore	2	4	4	0	10
Silverhill	3	1	2	3	9
Hollington	1	2	4	0	7
Braybrooke	1	2	3	1	7
West St Leonards	1	3	1	1	6
Maze Hill	1	2	2	0	5
St Helens	2	1	2	0	5
Conquest	0	0	0	0	0
<b>Total</b>	<b>61</b>	<b>54</b>	<b>68</b>	<b>28</b>	<b>211</b>
Wards with higher than average PRS					

Source: HBC Housing & Planning Services

**Noise Animals/Dogs  
2010/11-2013/14**

Ward	2010/11	2011/12	2012/13	2013/14	Total
Hollington	15	16	10	15	56
Gensing	17	13	13	11	54
Castle	10	11	16	10	47
Wishing Tree	7	18	10	10	45
Ore	3	7	28	3	41
Central St Leonards	5	8	9	11	33
Ward Average					32
Baird	8	7	3	13	31
Ashdown	4	3	11	13	31
West St Leonards	9	5	3	13	30
Tressell	6	7	5	8	26
Braybrooke	6	5	4	8	23
Maze Hill	8	2	7	5	22
St Helens	5	6	4	5	20
Silverhill	6	6	3	1	16
Old Hastings	6	5	2	2	16
Conquest	3	7	3	1	14
<b>Total</b>	<b>118</b>	<b>126</b>	<b>132</b>	<b>129</b>	<b>505</b>
Wards with higher than average PRS					

Source: HBC Housing & Planning Services

**Nuisance Animal/Dog  
2010/11-2013/14**

Ward	2010/11	2011/12	2012/13	2013/14	Total
Castle	54	30	27	36	147
Central St Leonards	37	32	48	26	143
Braybrooke	33	32	34	25	124
Hollington	45	19	27	11	102
Old Hastings	34	16	18	15	83
Ore	38	13	19	8	78
Gensing	27	20	20	10	77
Ward Average					67
Wishing Tree	12	16	11	11	50
Ashdown	18	9	7	13	47
Maze Hill	14	12	11	6	43
Baird	18	13	8	2	41
Tressell	14	11	6	7	38
West St Leonards	11	8	6	11	36
Conquest	9	7	5	5	26
St Helens	12	4	5	4	25
Silverhill	9	4	6	1	20
<b>Total</b>	<b>385</b>	<b>246</b>	<b>258</b>	<b>191</b>	<b>1080</b>
Wards with higher than average PRS					

Source: HBC Housing & Planning Services

**Nuisance Dirty House  
2010/11-2013/14**

Ward	2010/11	2011/12	2012/13	2013/14	Total
Castle	9	9	27	17	62
Central St Leonards	7	14	16	20	57
Gensing	13	8	16	19	56
Ashdown	2	4	10	7	23
Old Hastings	6	2	11	3	22
Braybrooke	3	1	11	7	22
Ward Average					22
Tressell	4	3	8	3	18
Baird	5	1	8	4	18
West St Leonards	3	0	2	9	14
Ore	2	2	6	3	13
Wishing Tree	4	0	5	4	13
Maze Hill	0	2	5	2	9
Hollington	0	1	2	5	8
Conquest	2	0	2	1	5
Silverhill	1	1	2	1	5
St Helens	0	0	1	2	3
<b>Total</b>	<b>61</b>	<b>48</b>	<b>132</b>	<b>107</b>	<b>348</b>
Wards with higher than average PRS					

Source: HBC Housing & Planning Services

### Nuisance Accumulation of Rubbish 2010/11-2013/14

Ward	2010/11	2011/12	2012/13	2013/14	Total
Castle	14	9	11	14	48
Baird	15	11	9	5	40
Central St Leonards	8	7	11	13	39
Gensing	13	12	9	4	38
Tressell	5	8	11	7	31
Old Hastings	8	7	5	10	30
Braybrooke	8	3	10	4	25
Ore	3	10	4	6	23
<b>Ward Average</b>					<b>22</b>
Hollington	5	6	3	6	20
Maze Hill	4	3	2	9	18
Ashdown	2	5	5	2	14
West St Leonards	4	2	3	3	12
St Helens	2	4	0	2	8
Wishing Tree	2	2	1	2	7
Silverhill	2	1	0	1	4
Conquest	1	0	0	0	1
<b>Total</b>	<b>96</b>	<b>90</b>	<b>84</b>	<b>88</b>	<b>358</b>
Wards with higher than average PRS					

Source: HBC Housing & Planning Services

### Litter (Enforcement) 2010/11-2013/14

Ward	2010/11	2011/12	2012/13	2013/14	Total
Castle	109	72	65	68	314
Central St Leonards	65	16	27	34	142
Hollington	70	30	18	12	130
Gensing	49	22	20	19	110
Tressell	49	13	14	16	92
Braybrooke	39	25	11	7	82
<b>Ward Average</b>					<b>80</b>
Ashdown	33	22	12	9	76
Old Hastings	35	12	15	9	71
Baird	47	10	5	2	64
Wishing Tree	22	6	7	4	39
Maze Hill	19	11	3	5	38
West St Leonards	21	5	7	4	37
Silverhill	21	10	3	2	36
Ore	13	5	6	2	26
Conquest	12	1	6	0	19
St Helens	2	0	1	0	3
<b>Total</b>	<b>606</b>	<b>260</b>	<b>220</b>	<b>193</b>	<b>1279</b>
Wards with higher than average PRS					

Source: HBC Housing & Planning Services

## 4. Housing Renewal Service Requests

- 4.1 Key statistics for a range of service requests received by the Housing Renewal service and associated activity over the past four years are set out below. These have been drawn down from the M3 computer system.
- 4.2 The position on overall housing complaints and statutory nuisance complaints is summarised in the tables below. Both tables give an indication of where the service pressures are coming from.

<b>Overall Housing Complaints 2010/11-2013/14</b>					
<b>Ward</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Total</b>
Central St Leonards	171	124	209	411	<b>915</b>
Castle	123	122	169	151	<b>565</b>
Gensing	86	51	89	142	<b>368</b>
Braybrooke	32	33	55	30	<b>150</b>
Tressell	28	21	29	33	<b>111</b>
Baird	26	21	21	21	<b>89</b>
Maze Hill	16	22	30	31	<b>65</b>
Hollington	12	15	22	21	<b>70</b>
Old Hastings	21	10	24	32	<b>87</b>
West St Leonards	18	9	17	20	<b>64</b>
Ashdown	6	12	20	21	<b>59</b>
Wishing Tree	21	9	11	9	<b>50</b>
Silverhill	3	8	13	7	<b>35</b>
Ore	8	11	16	23	<b>34</b>
St Helens	2	2	3	7	<b>14</b>
Conquest	1	2	6	3	<b>12</b>
<b>Total</b>	<b>574</b>	<b>472</b>	<b>734</b>	<b>966</b>	<b>2746</b>

Source: HBC Housing & Planning Services

- 4.3 The table overleaf shows complaints received where a statutory nuisance exists. Central St Leonards, Castle, Gensing, Baird and Old Hastings wards all have levels above the ward average of 45 complaints.
- 4.4 Overall the level of service requests from private tenants is very high for a borough the size of Hastings and whilst HBC has continued to address these issues the demand for a service to resolve them places significant pressure on staff and financial resources. Perhaps not surprisingly the bulk of all housing complaints arise from the four town centre wards, with over twice as many complaints received in these areas than the other twelve wards combined. This reflects the size of the PRS in these areas and current policy initiatives such as Additional Licensing, Central St Leonards Renewal Area and the Rogue Landlord project.

<b>Overall Nuisance Complaint Levels 2010/11-2013/14</b>					
<b>Ward</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Total</b>
Castle	30	26	24	29	109
Central St Leonards	30	28	28	20	106
Gensing	26	21	20	24	91
Baird	20	17	13	10	60
Old Hastings	13	13	9	18	53
Braybrooke	12	4	13	6	35
Ashdown	6	10	11	7	34
Tressell	7	9	11	7	34
Maze Hill	7	8	6	12	33
West St Leonards	11	9	4	8	32
Ore	6	10	6	9	31
Hollington	10	5	3	11	29
Wishing Tree	7	9	1	6	23
St Helens	8	6	2	5	21
Silverhill	3	7	2	2	14
Conquest	10	3	0	0	13
<b>Total</b>	<b>206</b>	<b>185</b>	<b>153</b>	<b>174</b>	<b>718</b>

Source: HBC Housing & Planning Services

- 4.5 The tables below indicate how HBC has responded to complaints over the same four year period.

<b>Housing Renewal Complaints Actioned 2011/12-2013/14</b>	
<b>Ward</b>	<b>Totals</b>
Central St Leonards	1053
Castle	344
Gensing	197
Braybrooke	90
Tressell	59
Maze Hill	54
Baird	46
Old Hastings	38
Hollington	37
Ashdown	35
Ore	33
West St Leonards	27
Silverhill	23
Wishing Tree	23
St Helens	8
Conquest	3
<b>Grand Total</b>	<b>2070</b>

Source: HBC Housing & Planning Services

**Housing Renewal Fast Track  
(24 Hour) Complaints  
Actioned - 2011/12-1013/14**

**Enforcement Action**

4.6 Other data set out below in respect of Category 1 hazards, Section 11 and Section 12 improvement notices reveals that most activity is taking place in the Castle, Central St Leonards, Gensing and Braybrooke wards. This is broadly what might be expected given the current priority given to these areas by the Council.

Ward	Totals
Central St Leonards	62
Castle	48
Gensing	37
Braybrooke	17
Tressell	16
Maze Hill	13
Ore	9
Old Hastings	8
Baird	7
Ashdown	6
Hollington	5
Silverhill	4
West St Leonards	3
Wishing Tree	2
Conquest	1
St Helens	1
<b>Grand Total</b>	<b>239</b>

Source: HBC Housing & Planning Services

<b>Total Dwellings where CAT 1 hazards identified 2010/11-2013/14</b>					
Ward	2010/11	2011/12	2012/13	2013/14	Total
Central St Leonards	26	9	18	27	80
Castle	18	10	15	10	53
Gensing	9	1	12	9	31
Braybrooke	7	7	2	0	16
Baird	2	3	2	0	7
Maze Hill	2	0	4	0	6
Ashdown	0	1	2	0	3
Hollington	0	2	1	0	3
West St Leonards	2	0	1	0	3
Tressell	1	0	1	3	2
Wishing Tree	2	0	0	0	2
Conquest	0	0	0	1	0
Old Hastings	0	0	0	2	0
Ore	0	0	0	1	0
Silverhill	0	0	0	1	0
St Helens	0	0	0	0	0
<b>Total</b>	<b>69</b>	<b>33</b>	<b>58</b>	<b>54</b>	<b>214</b>

Source: HBC Housing & Planning Services

<b>Section 11 Improvement Notices 2010/11-2013/14</b>					
Ward	2010/11	2011/12	2012/13	2013/14	Total
Central St Leonards	5	1	7	8	21
Castle	3	2	2	3	10
Gensing	2	1	4	6	13
Braybrooke	2	3	0	1	6
Maze Hill	1	0	1	0	2
Ashdown	0	0	1	0	1
Baird	0	1	0	0	1

Old Hastings	1	0	0	0	1
West St Leonards	1	0	0	0	1
Conquest	0	0	0	0	0
Hollington	0	0	0	0	0
Ore	0	0	0	0	0
Silverhill	0	0	0	0	0
St Helens	0	0	0	0	0
Tressell	0	0	0	1	1
Wishing Tree	0	0	0	0	0
<b>Total</b>	<b>15</b>	<b>8</b>	<b>15</b>	<b>19</b>	<b>57</b>

Source: HBC Housing & Planning Services

<b>Section 12 Improvement Notices 2010/11-2013/14</b>					
Ward	2010/11	2011/12	2012/13	2013/14	Total
Central St Leonards	2	1	0	1	4
Castle	2	0	0	0	2
Gensing	0	0	1	1	2
Braybrooke	0	0	1	0	1
Maze Hill	0	0	1	0	1
West St Leonards	1	0	0	0	1
Ashdown	0	0	0	0	0
Baird	0	0	0	0	0
Conquest	0	0	0	0	0
Hollington	0	0	0	0	0
Old Hastings	0	0	0	0	0
Ore	0	0	0	0	0
Silverhill	0	0	0	0	0
St Helens	0	0	0	0	0
Tressell	0	0	0	0	0
Wishing Tree	0	0	0	0	0
<b>Total</b>	<b>5</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>11</b>

Source: HBC Housing & Planning Services

- 4.7 The table below shows the position for enforcement action over the same four year period, where the outcome is that statutory notices have been complied with.

<b>All Housing Enforcement Action Complied With 2011/12-2013/14</b>	
Ward	Totals
Central St Leonards	80
Castle	49
Gensing	40
Braybrooke	22
Maze Hill	6
Old Hastings	6
Ashdown	4
Baird	4

Ore	3
Silverhill	3
Tressell	3
Wishing Tree	3
West St Leonards	2
Hollington	1
Conquest	0
St Helens	0
<b>Grand Total</b>	<b>226</b>

Source: HBC Housing & Planning Services

- 4.8 This table shows the outcome of enforcement action in Central St Leonards Renewal Area, specifically in the 'Seven Streets' priority area.

<b>Enforcement Outcomes - Seven Streets Area in Central St Leonards ward April 2013-November 2014</b>	
<b>Activity</b>	<b>Total</b>
Category 1 or Category 1 & 2 hazards removed	36
Category 2 hazards removed	57
<b>Total Category 1 &amp; 2 hazards removed</b>	<b>98</b>
Management Regs Notices served	18
<b>Management Regs Notices complied with</b>	<b>7</b>

Source: HBC Housing & Planning Services





## 5. Options Appraisal - Methodology

### 1. Introduction

The Housing Act 2004 requires that before making a discretionary licensing designation a local authority must consider whether there are any other courses of action available to them that might provide an effective method of dealing with the problem or problems in question.

This options appraisal therefore seeks to examine a range of alternative options including licensing.

There are two parts to the appraisal process. The first is option development, which identifies the available options for tackling substandard and 'problem' privately rented properties in the Borough and examines the strengths and weaknesses of each. The second part is the option appraisal itself. It measures the effectiveness of each of the identified options by giving them individually a series of scores against the agreed objectives. The options, and the objectives against which they are scored, need to derive from the Council's vision for the future role of the private rented sector.

A multi-disciplinary panel of Council officers undertook the options appraisal, with representatives from the following services:

- Housing Renewal
- Environmental Health
- Housing Strategy & Development
- Community Safety
- Economic Development
- Planning

### 2. Our Vision

The agreed vision for the private rented sector and the future role it can play in helping to meet the Housing Strategy objective 'to improve and make best use of the existing housing stock' is:

***To maximise the contribution made by the private rented sector towards meeting current and future housing need through tailored, targeted and proportionate intervention and support designed to secure safe, well-managed and decent accommodation.***

### 3. Option Development

#### 3.1 Options

Eight possible options for tackling substandard and 'problem' properties in Hastings were identified and are set out below:

**1. Do nothing.** This option would involve the Council doing nothing to intervene in the private rented sector, leaving the housing market as the driver for landlords carrying out improvements to their properties.

**2. Do the minimum.** This option envisages Council intervention in the sector being limited to a basic 'complaint response' service with action by other departments and agencies on a largely ad hoc basis using the various powers available to them.

**3. Informal area action.** A non-statutory Action Area, taking in part of the Borough where substandard properties are concentrated, would be declared. The impetus for housing improvement would come from a combination of the Council's activity in the area through a mixture of advisory surveys, Council-landlord dialogue and, where necessary, the threat of follow-up enforcement action.

**4. Targeted use of Interim Management Orders (IMOs) and Final Management Orders (FMOs).** There are other tools available under the Housing Act 2004 such as Interim and Final Management Orders for non-licensable HMOs or Special Interim Management Orders for other properties to address anti-social behaviour in selected properties where conditions are sufficient to justify use of the powers.

**5. Area-based voluntary accreditation.** This option would involve a localised Accreditation scheme, tailored to suit the characteristics of the properties and the problems associated with them. The Council's HALo accreditation scheme came to an end in 2011 due to its limited impact and financial constraints.

**6. Borough wide Selective Licensing Scheme.** Licensing introduced for all private rented properties across the whole Borough.

**7. Area-based Selective Licensing scheme.** Licensing introduced in the wards or parts of wards with the highest concentration of private rented properties and significant problems of anti-social behaviour or evidence of low housing demand.

**8. Borough wide Additional Licensing scheme.** Licensing introduced for all HMOs not covered by mandatory licensing (i.e. two or more storeys with three or more households) across the whole Borough in the 12 wards not covered by the current scheme.

### 3.2 Strengths and Weaknesses

The strengths and weaknesses of each option are now examined.

<b>Option 1 – Do nothing</b>		
<b>Option Description</b>	<b>For</b>	<b>Against</b>
<ul style="list-style-type: none"> <li>▪ No Council involvement in the sector</li> <li>▪ Housing market is the driver for improvements to the sector</li> </ul>	<ul style="list-style-type: none"> <li>▪ No additional resource costs</li> <li>▪ Housing market determines the quality of accommodation</li> <li>▪ Meets landlord aspirations for self-regulation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Would not meet statutory obligations</li> <li>▪ Community concerns not addressed</li> <li>▪ Concerns of people renting not addressed</li> </ul>

<b>Option 2 – Do the minimum</b>		
<b>Option Description</b>	<b>For</b>	<b>Against</b>
<ul style="list-style-type: none"> <li>▪ Council intervention limited to:               <ul style="list-style-type: none"> <li>•Complaint response;</li> <li>•Action on Planning Use contraventions on properties where external appearance detrimental to amenity;</li> <li>•Building Control action on non-compliant works.</li> </ul> </li> <li>▪ Wider issues left to the normal operation of the market</li> </ul>	<ul style="list-style-type: none"> <li>▪ Responds to tenants' expressed concerns</li> <li>▪ Ensures Council meets basic statutory responsibilities towards standards in rented housing</li> <li>▪ If pursued rigorously sends a strong signal to the erring landlord, may lead to subsequent voluntary improvement</li> <li>▪ Should produce worthwhile improvements in neighbourhood environment, external appearance, structural integrity, fire safety in cases where these tackled.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Reliance on the market unlikely to yield widespread housing improvement in the current climate;</li> <li>▪ Reactive intervention not strategic:               <ul style="list-style-type: none"> <li>•No impact beyond the subject property;</li> <li>•Not need- or risk-based;</li> <li>•Wider issues in rented stock not addressed;</li> <li>•Little scope for project planning against defined objectives.</li> </ul> </li> <li>▪ Little scope for synergy with other Council initiatives;</li> <li>▪ Lack of scope for coordination across agencies and staffing imbalances between them would seriously undermine the initiative.</li> <li>▪ Most Planning, Building Regs enforcement powers would not reach longer-established stock-where need is greatest;</li> <li>▪ Key issues- amenities, space, health and safety would be overlooked;</li> <li>▪ Acting only on complaint can lead to retaliatory eviction;</li> <li>▪ No. of complaints fluctuates, staffing stays the same so quality of response varies;</li> <li>▪ Labour-intensive, so costly;</li> <li>▪ Falls short of meeting goals of Housing Strategy</li> </ul>

<b>Option 3 - Informal Area action</b>		
<b>Option Description</b>	<b>For</b>	<b>Against</b>
<p>Would involve:</p> <ul style="list-style-type: none"> <li>▪ Informal 'Action Area' declaration, taking in an area where issues are concentrated;</li> <li>▪ Setting of aims and objectives linked to identified issues;</li> <li>▪ Heavy publicising of initiative followed by seeking landlord community positive participation;</li> <li>▪ Programmed surveys to identify 'condition' and 'management' issues</li> <li>▪ Tailored enforcement where individual landlords uncooperative.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Targeted Action <ul style="list-style-type: none"> <li>• Choice of area can be need- and risk-based</li> <li>• Tailored solutions to area's housing and other problems possible</li> <li>• Initiative can be project-planned</li> <li>• Should lead to comprehensive area improvement</li> <li>• Concentration of resources can lead to economies of scale;</li> </ul> </li> <li>▪ Message that Council active in area gets around, this facilitates resident co-operation, promotes voluntary landlord action</li> </ul>	<ul style="list-style-type: none"> <li>▪ Informality of approach can result in extended timescales;</li> <li>▪ Traditional, resource-intensive enforcement the only available response to non – co-operation;</li> <li>▪ Additional funding or resources needed to implement;</li> <li>▪ Pulls resources away from other areas</li> <li>▪ Doesn't deal with other properties needing intervention outside of action area</li> </ul>

<b>Option 4 - Targeted use of Interim Management Orders and Final Management Orders</b>		
<b>Option Description</b>	<b>For</b>	<b>Against</b>
<p>Council uses Housing Act 2004 Part 4 powers to take over the very worst properties, manage and improve them, eventually hand them back to landlord</p>	<ul style="list-style-type: none"> <li>▪ An effective response to the most serious HMO/private rented property problems;</li> <li>▪ Local Authority (LA) taking control means work done to proper standard, management issues resolved optimally;</li> <li>▪ Action sends a strong message that poor standards will not be acceptable</li> </ul>	<ul style="list-style-type: none"> <li>▪ Powerful enforcement action, not designed to secure overall stock improvement;</li> <li>▪ Strict statutory criteria for use of the power; these will apply to a small proportion of the overall substandard stock;</li> <li>▪ Highly resource-intensive for LA and lengthy legal processes leads to delay</li> <li>▪ Minimal impact on the overall level of poor-quality rented housing;</li> <li>▪ Not a proportionate response to problems in the sector;</li> <li>▪ Cost implications for the LA;</li> </ul>

<b>Option 5 - Area-Based Voluntary Accreditation</b>		
<b>Option Description</b>	<b>For</b>	<b>Against</b>
Accreditation model: Landlord/property accreditation as a result of meeting laid-down property and letting standards.	<ul style="list-style-type: none"> <li>▪ Accreditation's proven track record;</li> <li>▪ Easy set-up through access to existing local and national Accreditation models;</li> <li>▪ Infrastructure for further Accreditation exists through the current scheme;</li> <li>▪ Rewards responsible landlords for their efforts;</li> <li>▪ Prospective tenants signposted to quality accommodation run by responsible landlords.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Risk of confusion between simultaneous borough wide and area-based Accreditation schemes. Also, area-based scheme likely to struggle to gain acceptance and credibility because of prior existence of borough wide scheme;</li> <li>▪ Accreditation would tend to attract the responsible landlord, be ignored by the irresponsible; no particularly strong incentive on the latter to join in.</li> </ul>

<b>Option 6 – Borough wide Selective Licensing</b>		
<b>Option Description</b>	<b>For</b>	<b>Against</b>
Licensing introduced for all private rented properties across the Borough's 16 wards.	<ul style="list-style-type: none"> <li>▪ Seen as fairer for all landlords as not focused on specific part of the town</li> <li>▪ More strategic as would tackle problems in all properties</li> <li>▪ Avoids risk of displacing problems from one area to another</li> </ul>	<ul style="list-style-type: none"> <li>▪ Not targeted</li> <li>▪ Disproportionate – if evidence suggests concentration of problems in certain areas</li> <li>▪ Significant resources (staff) required to license all properties within 5 years</li> <li>▪ Phased approach would be required to deal with the large number of properties or an automated application system would be required</li> <li>▪ Would take resources away from doing other priority housing renewal activity</li> </ul>

<b>Option 7 - Area-based Selective Licensing scheme</b>		
<b>Option Description</b>	<b>For</b>	<b>Against</b>
Selective Licensing scheme in wards where there is a concentration of private rented properties and there is evidence of anti-social behaviour linked to the sector, or evidence of low housing demand	<ul style="list-style-type: none"> <li>▪ Strategic: <ul style="list-style-type: none"> <li>•Area(s) selected by need, risk, priority</li> <li>•Activity can be planned, targets set, outputs measured.</li> </ul> </li> <li>▪ Scope for marked impact in chosen Area(s):</li> <li>▪ Economies of scale, etc.;</li> <li>▪ Fairness: mandatory nature of scheme means all landlords are required to participate;</li> <li>▪ Scheme would be self funding</li> <li>▪ Big impact on achieving health &amp; safety standards</li> <li>▪ Credibility, standing of rented sector enhanced as 'approved' rental housing pool enlarges.</li> <li>▪ Strong sanctions for non-compliance</li> <li>▪ Likely to be popular with communities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Risk of 'displacement': new rental properties established outside designated areas to avoid controls.</li> <li>▪ Scheme would need appropriate staff resourcing to succeed.</li> <li>▪ Could be unpopular with some landlords who comply with current housing standards and manage properties effectively</li> <li>▪ Scheme on it's own will not deal with anti-social behaviour of tenants</li> <li>▪ Some landlords may sell up due to cost of meeting the required housing standards</li> </ul>

<b>Option 8 – Borough wide Additional Licensing</b>		
<b>Option Description</b>	<b>For</b>	<b>Against</b>
Licensing introduced for all HMOs not covered by mandatory licensing in the 12 wards not covered by the current scheme	<ul style="list-style-type: none"> <li>▪ Seen as fairer for all landlords as not focused on specific part of the town</li> <li>▪ More strategic as would tackle problems in all properties</li> <li>▪ Avoids risk of displacing problems from one area to another</li> </ul>	<ul style="list-style-type: none"> <li>▪ Not targeted</li> <li>▪ Disproportionate – if evidence suggests concentration of problems in certain areas</li> <li>▪ Significant resources (staff) required to license all properties within 5 years</li> <li>▪ Phased approach would be required to deal with the large number of properties or an automated application system would be required</li> <li>▪ Would take resources away from doing other priority housing renewal activity</li> </ul>

## 4. Option Appraisal

### 4.1 Introduction

The panel identified eight objectives for the private rented sector and these are listed in the table below. Each of the options identified were evaluated and scored against the agreed objectives.

### 4.2 Objectives

No.	Objective
1.	To keep occupants safe by securing effective management of private rented properties.
2.	To improve the living conditions for tenants through ensuring an appropriate level of facilities is provided.
3.	To improve housing standards and maintenance within private rented properties, with particular emphasis on security, fire safety and thermal comfort.
4.	To ensure landlords exercise appropriate management and supervision of their properties to help reduce any adverse impact on the neighbourhood, e.g. from anti-social behaviour.
5.	To encourage investment in private rented homes and increase the availability of affordable and decent accommodation for those in housing need.
6.	To build on and expand existing partnerships with landlords, agents, tenants, colleges and the Universities, community forums and partner agencies/services, maintaining effective two-way communication, promoting joint working and best practice and through these, facilitating improvements to the private rented sector.
7.	To encourage and support owners and managing agents of private rented properties to work proactively with the Council in achieving clearly defined standards and management of private rented properties.
8.	To facilitate stable and integrated communities through policy and proactive targeting of intervention.

### 4.3 Appraisal of options against objectives

Each panel member evaluated and scored the eight options against the agreed objectives using the scoring criteria set out below. Scores were averaged for each option/objective and a total score arrived at for each option.



### 4.3 Appraisal of options (continued)

<b>Scoring Criteria</b>	<b>Scoring</b>
Over 1- 5 years on a significant number of properties.	0 = will not impact
	1 = very little impact
	2 = reasonable impact
	3 = significant impact
	4 = very significant impact

<b>Objective</b>	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>	<b>Option 4</b>	<b>Option 5</b>	<b>Option 6</b>	<b>Option 7</b>	<b>Option 8</b>
	<b>Do nothing</b>	<b>Do the minimum</b>	<b>Informal area action</b>	<b>IMOs and FMOs</b>	<b>Accreditation</b>	<b>Selective Licensing Borough</b>	<b>Selective Licensing Area</b>	<b>Additional Licensing Borough</b>
1. To keep occupants safe by securing effective management of private rented properties.	0	0.7	1.3	1.6	1.3	3.4	3.4	3
2. To improve the living conditions for tenants through ensuring an appropriate level of facilities is provided.	0	0.7	1.3	1.7	1.3	3.4	3.3	2.9
3. To improve housing standards and maintenance within private rented properties, with particular emphasis on security, fire safety and thermal comfort.	0	0.7	1.3	1.6	1.4	3.3	3.3	2.9
4. To ensure landlords exercise appropriate management and supervision of their properties to help reduce any adverse impact on the neighbourhood, e.g. from anti-social behaviour.	0	0.4	1.1	1.6	1.4	3.4	3.4	3

Objective	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Option 7	Option 8
	Do nothing	Do the minimum	Informal area action	IMOs and FMOs	Accreditation	Selective Licensing Borough	Selective Licensing Area	Additional Licensing Borough
5. To encourage investment in private rented homes and increase the availability of affordable and decent accommodation for those in housing need.	0	0.4	1.1	1.1	1.3	3	2.9	2.6
6. To build on and expand existing partnerships with landlords, agents, tenants, colleges and the Universities, community forums and partner agencies/services, maintaining effective two-way communication, promoting joint working and best practice and through these, facilitating improvements to the private rented sector.	0	0.4	1.4	1.6	1.9	3	3	2.7
7. To encourage and support owners and managing agents of private rented properties to work proactively with the Council in achieving clearly defined standards and management of private rented properties.	0	0.4	1.3	1.6	1.9	3.3	3.1	2.7
8. To facilitate stable and integrated communities through policy and proactive targeting of intervention.	0	0.4	1.3	1.3	1.1	3	3.1	2.7
<b>Total Score</b>	0	4.3	10.1	12	11.6	25.9	25.6	22.4
<b>%</b>	0	4	9	11	10	23	23	20

## 5. Option Appraisal - Outcome

A summary of the Panel's averaged total scores from the appraisal exercise is set out below for each option and ranked according to their total score.

The outcome of the appraisal process as regards which option would best meet the agreed vision and objectives for the PRS in Hastings is that there is little to choose between Borough wide and area based (10 ward) Selective Licensing schemes (with total scores of 25.9 and 25.6 respectively). This can be explained by the fact that the 10 wards with above average PRS contain 88% of privately rented dwellings. A scheme based on the 10 wards would therefore have a significant impact on the sector.

<b>Options</b>	<b>Total Score</b>	<b>Rank</b>
1. Do nothing	0	8 <sup>th</sup>
2. Do the minimum	4.3	7 <sup>th</sup>
3. Informal area action	10.1	6 <sup>th</sup>
4. Targeted use of Management Orders	12	4 <sup>th</sup>
5. Voluntary area-based accreditation	11.6	5 <sup>th</sup>
6. Borough wide Selective Licensing	25.9	1 <sup>st</sup>
7. Area-based Selective Licensing	25.6	2 <sup>nd</sup>
8. Borough wide Additional Licensing	22.4	3 <sup>rd</sup>

**6. Consultation Report - Executive Summary**

# **Licensing the Private Rented Sector in Hastings - Consultation Report**

## **Executive Summary**

**February 2015**



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## **1. Introduction**

- 1.1 Hastings has a private rented sector (PRS) that is almost twice the national average. Data concerning anti-social behaviour (ASB) suggests that when compared with fourteen similar coastal areas the town has the third highest level of ASB. Following an extensive review of the data, Hastings Borough Council (HBC) reached the conclusion that there is sufficient evidence of persistent and significant problems of ASB in ten of the town's sixteen wards where the PRS is higher than the national and regional averages. The data also revealed a clear link between ASB and the PRS. Consequently, HBC is proposing the designation of a Selective Licensing scheme in the ten wards to help achieve a reduction in ASB, when combined with other measures being taken by the Council and its partners.
- 1.2 A wide ranging consultation programme on the proposal was commenced in October 2014 for a period of 11 weeks in order to obtain the views of key stakeholders, including landlords, letting/managing agents, tenants, residents, businesses and stakeholder/representative organisations. Inevitably the different stakeholder groups have different perspectives on the proposals and there is no methodology available for combining results to yield a single outcome that will reconcile the differences in order to recommend a best way forward. As such there can be no right answer and it will be for HBC to base its policy decisions in respect of the proposed licensing scheme on the consultation outcomes and an assessment of the relative merits of the various points of view from different stakeholders, as well as other matters such as the legal framework, the business case and the evidence base.
- 1.3 The outcome of the consultation programme and the feedback received is presented in the detailed consultation report. Its main purpose is to provide HBC with an analysis and summary of the views of key stakeholders in order to comply with the legislative requirement to consider representations made in accordance with the consultation. For the reasons outlined above it does not make recommendations to HBC about specific policies. This executive summary provides an overview of the more detailed report.

## **2. The Consultation**

- 2.1 The consultation programme commenced on 20 October 2014 and continued for 11 weeks until 5 January 2015. HBC's proposals were summarised in a consultation document that was made available in the consultation pages of the Council's website. Responses to the proposals were invited via an online survey questionnaire and through individual written reply by letter or email.
- 2.2 The consultation was publicised in a number of different ways, for example, delivery of a leaflet to all 42,000 residents across Hastings and St Leonards to inform them about the proposals; mailouts to landlords, letting/managing agents, private tenants and businesses; emails to statutory organisations, equalities groups, social housing providers, the University accommodation team and the HBC newsletter; press releases and adverts in the local newspaper and the Friday Ad; and promotion via social media.
- 2.3 Just over 800 responses were received during the consultation. 90 separate responses were received by email or in writing - 60% of these were from landlords,

agents or landlord organisations. The number of responses by category of respondent was as follows:

- 266 - landlords - ranging from small to very large portfolios
- 25 - letting/managing agents
- 308 - owner-occupiers
- 168 - private tenants
- 23 - social housing tenants
- 11 - businesses
- 3 - landlord organisations
- 2 - tenant organisations
- 2 - advice agency/housing support service
- 1 - university
- 2 - county councillor/prospective parliamentary candidate

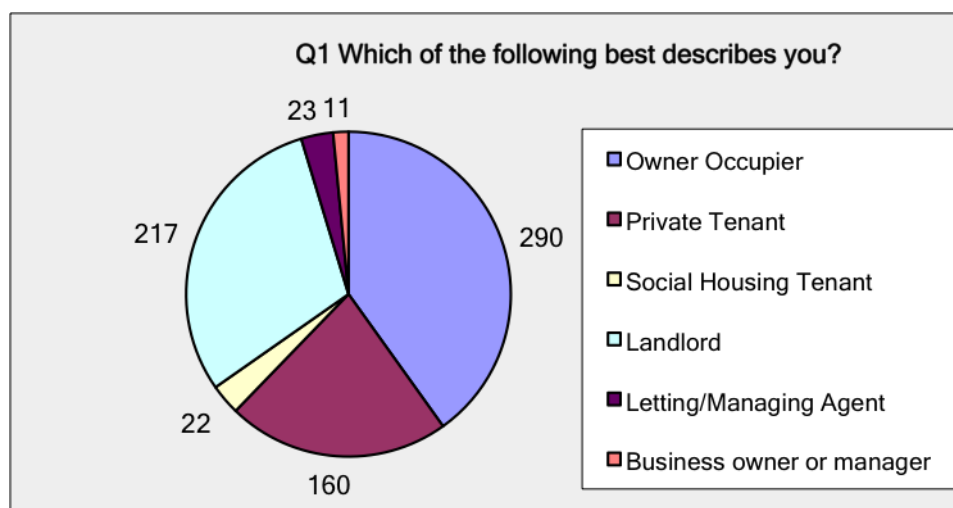
723 complete responses were received to the online survey questionnaire. Within the online survey, in addition to quantitative answers, general comments were received in open text fields as follows:

- 235 from residents
- 143 from landlords and agents
- 6 from business owners or managers

- 2.4 Respondents were also invited to share their experience of anti-social behaviour by providing written comments in open text fields. Overall a further 447 comments were received from residents, 46 from landlords/agents and 6 from businesses concerning anti-social behaviour.
- 2.5 Council officers also attended a public meeting called by landlord associations and a public meeting called by tenants' organisations to present information about the proposals and answer specific questions. Both meetings were very well attended.

### **The Online Survey**

- 2.6 Over 1,000 people commenced the on-line survey but only 723 full responses were completed. The breakdown of respondent types is set out below. Whilst the largest number of responses came from residents (472) a disproportionate number of responses were received from landlords and agents (240). Significantly, more landlords responded to the survey than private tenants (160).



<b>Full Survey Responses Received</b>		
<b>Category</b>	<b>No.</b>	<b>%</b>
Owner Occupier	290	40.1%
Private Tenant	160	22.1%
Social Housing Tenant	22	3.1%
Landlord	217	30.0%
Letting/Managing Agent	23	3.2%
Business owner or manager	11	1.5%
<b>Total Responses</b>	<b>723</b>	<b>100%</b>

### ***Survey Respondents by Area***

- 2.7 People who responded to the survey were invited to provide their address including a postcode. Not everyone opted to do so. However, in total 535 people provided a postcode. Analysis revealed 473 respondents lived in the town and responses were achieved from every electoral ward across the town, which suggests the consultation coverage was successful. Postcode analysis of the other 62 respondents showed they lived outside the town in areas such as Brighton, East Sussex, Kent and London. In the main these are likely to be absentee landlords and it is reassuring to note that the consultation reached property owners across a reasonably wide area and especially in the adjoining district of Rother, covering the towns of Bexhill, Battle and Rye, which accounted for 55% (34) of out of town responses.

### ***Consultation Results***

- 2.8 The quantitative results from the online survey questionnaire, together with the views expressed in the survey and separate individual submissions, are presented in turn by the various stakeholder groups in the following sections. These are followed by views from key stakeholders, for example, from organisations representing landlords or tenants.

## **3. Landlords' and Agents' Views**

- 3.1 Full responses to the online survey were received from 217 landlords, 11 letting agents and 12 managing agents. The majority (67%) of those that responded own or manage more than one property and 39% indicated that they own or manage 5 or more properties.

### ***Views about the proposed scheme***

- 3.2 Whilst 82% (189) of landlords/agents felt unable to support the introduction of a Selective Licensing scheme, 18% (42) actually expressed support. Of those who expressed support for a scheme, nearly 79% (37) said it should cover the whole borough.

### ***Management Issues***

- 3.3 Landlords and agents reported a very low incidence of problems associated with their properties, e.g. only 19 reports of their tenants causing anti-social behaviour and a slightly higher number of reports of problems (27) with neighbouring properties affecting their tenants.

### ***Anti-Social Behaviour***

- 3.4 When asked about awareness of problems associated with anti-social behaviour in the proposed area the level of reports was low with litter, rubbish dumping/fly-tipping and



neglected/rundown properties scoring the highest, followed closely by nuisance neighbours and drug use/dealing.

- 3.5 31 (14%) landlords/agents reported witnessing or being a victim of ASB in the proposed area. 30 landlords or agents provided a written comment about their experience. Some examples of the comments are presented thematically in the consultation report. The biggest areas of concerns were drug dealing, drug and alcohol misuse, followed by fly-tipping, rubbish dumping and littering. Examples of other issues were given including, assault, unruly behaviour, verbal abuse, vandalism and dogs not properly controlled. Some expressed the view that a poor level of policing was the reason why there is ASB in the town and that this is already leading to disinvestment in the PRS.
- 3.6 Reports of ASB caused by their tenants were also low at 13, representing just under 6% of those who answered the question. Written comments about ASB from private tenants experienced or witnessed by landlords or agents were received from 16 respondents and these are summarised thematically in the main report. A number of respondents were keen to point out that their tenants were respectable individuals and families without problems, largely because they had carefully vetted them before offering them a tenancy. Those problems that were reported covered a number of areas: the difficulty in evicting tenants with substance misuse issues and the fact that HBC and other agencies advise tenants to stay put until bailiffs enforce court orders; noise nuisance; domestic violence; poor property management by other landlords and unprofessional managing agents.

### ***Fees and Discounts***

- 3.7 Support for proposals to offer discounts for 'early bird' applications and for those landlords who are members of a recognised professional body or national accreditation scheme was at best lukewarm. 48% (96) supported the proposed discount for 'early bird' applications. 41% supported the proposed discount for professionally recognised or accredited landlords. This may well reflect the general lack of support from landlords and agents for licensing as well as dissatisfaction with the proposed standard fee level.
- 3.8 There was even less support for the proposal to levy an increased fee where a landlord fails to apply for a licence in respect of a licensable property, with only 28% (60) of respondents agreeing with the proposal.

### ***Licence Conditions***

- 3.9 Similarly, the majority of landlords and agents were not in favour of the proposed licence conditions. Only 28% (58) supported the proposed conditions relating to occupancy levels; 25% (51) supported proposed conditions relating to tenancy management; and 25% (52) supported the proposed conditions relating to property management.

### ***Landlords and agents - general comments about the proposed licensing scheme***

- 3.10 144 written comments were received from landlords and agents within the online survey. A further 49 submissions from landlords and 2 from agents were received by email or letter. The majority of responses expressed outright opposition to the proposed scheme or that was the underlying sentiment. Many of them covered similar

issues about the proposals and examples of comments are organised thematically within the main consultation report.

- 3.11 There were a large number of responses about the cost of licensing and a range of views were expressed. Some felt the scheme is a form of taxation and a way of generating income when local authorities are having to cutback financially. A number of respondents expressed the view that landlords are not responsible for law and order and should not be expected to deal with ASB, if anything in their view ASB is a police matter and should be paid for out of Council Tax.
- 3.12 Many respondents stated that they will have no choice but to pass on the licence fee to tenants by increasing rents, which will cause financial hardship as many tenants are having trouble affording current rents.
- 3.13 Concern was expressed that the proposed fees are too high and this will have two important consequences. First, it is likely to deter landlords from licensing their property, whilst penalising those good landlords who do apply and generally look after their property. Second, the upkeep of properties will suffer as funds will be diverted from maintenance to pay the licence fee.
- 3.14 If the scheme goes ahead, a number of respondents requested that HBC make it easier for landlords to pay the fee and to reward good landlords with better discount. These aspects are included in the table of key issues in section 7.
- 3.15 Very strong views were expressed that licensing will penalise good landlords unfairly. In most cases the view expressed is that the majority of landlords are good and it is unfair to make all landlords pay for the minority of landlords who do not take care when selecting their tenants and who do not maintain their properties to prevent them from becoming run down. It was also suggested that properties managed by ARLA members should not need to be licensed. A better arrangement would be to make licensing free and then fine those that don't apply and who have sub-standard properties.
- 3.16 There was also a strong feeling expressed that licensing will not address the issue of bad landlords, for example, it will not help uncover properties that are not licensed that should be; and 'rogue' landlords will not apply for licences because they are already likely to be flouting existing legislation.
- 3.17 Some expressed the view that landlords will disinvest from the town, which will have an adverse effect on the availability of rented accommodation at a time when social housing is in very short supply. A number of long established landlords in the town said they would have no choice but to evict their tenants and sell up if licensing is introduced.
- 3.18 A number of respondents felt that Selective Licensing would not help reduce ASB and pointed to the scheme in Thanet that has been running for 3 years without any reduction in ASB. A recurring theme was that buildings do not cause ASB and the standard of accommodation does not provoke bad behaviour; it is the people who are responsible for their actions.
- 3.19 Several respondents talked about the need for more support, training or guidance for landlords, especially when dealing with tenants who have substance misuse problems or mental health issues. Strong views were expressed that the licence fee should help

cover the cost of this. Some also stressed the point that more support is needed from the police in dealing with ASB caused by tenants.

- 3.20 A few respondents felt that HBC has not given enough time to see if HMO Additional Licensing is working. The point was made that most buildings have to register for an HMO licence and this should ensure properties are brought up to a good standard. In addition, HMO licensing is already costing landlords a lot of money in fees and to achieve the required standards. Given the experience with HMO licensing some respondents queried whether HBC will have enough resources to police so many areas of compliance in the new scheme.
- 3.21 Some respondents expressed the view that the whole ward approach was too heavy handed and that it would be better to target specific areas rather than whole wards, for example, Old Town but not Clive Vale in Old Hastings ward. Others felt that the proposed area was too large and should focus on the wards with the most serious problems such as Central St Leonards and Gensing.
- 3.22 Some respondents also questioned HBC's business case, as the statistics show ASB is reducing and they felt that there was no empirical evidence linking ASB to the PRS. ASB is seen as a bigger issue in social housing. In the town centre areas it is seen as more a result of the night-time economy and visitors to the town. A number of respondents felt that if the scheme goes ahead it should also cover social housing/housing association properties

## **4. Residents' Views**

### ***Views about the proposed scheme***

- 4.1 Full responses were received from 472 residents. There was very strong support from residents for the introduction of Selective Licensing in the town. Nearly 83% (391) said they support licensing the PRS. Of those who expressed support for a scheme 83% (327) said it should cover the whole borough. Only 11% were in favour of the proposed area covering 10 wards.

### ***Anti-Social Behaviour***

- 4.2 The level of reports from residents about problems associated with ASB in the proposed area were much higher than those for landlords and agents. Looking at those who ranked problems as a 4 or a 5, neglected/run down properties were the biggest concern. Litter, rubbish dumping/fly-tipping, drug use/dealing and alcohol misuse were a close second followed by nuisance neighbours and loud noise.
- 4.3 52% (246) of residents reported that they had either witnessed or been a victim of ASB in the proposed area. 236 written comments were received from residents about their experiences of ASB and some examples are presented thematically in the consultation report. For many people ASB associated with difficult neighbours was an area of particular concern, especially for people living in flats. Noise caused by loud music, inconsiderate and unruly behaviour, domestic violence and dogs not under proper control were the dominant issues contributing to this. In a number of cases people talked about being subjected to abusive, threatening and/or intimidating behaviour, especially when they complained about noise or other issues. Many people also commented on the impact of drug dealing and drug and alcohol misuse on their neighbourhood often leading to fighting/brawling, abusive behaviour, vandalism and

other criminal activity. Fly-tipping, rubbish dumping and littering were also regularly mentioned as a cause for concern. Many people also flagged up the issue of poorly controlled dogs and particularly the fouling of pavements and public areas. Reassuringly, 82% of residents said they feel safe in their home and the local area.

- 4.4 213 residents (45%) reported that they had experienced or witnessed ASB from private tenants. A handful of respondents stated they were uncertain about the tenure of the individuals concerned. There were 211 written comments from residents to this question and some examples of the written comments received are presented in the consultation report.
- 4.5 Many people reported problems with noisy and inconsiderate neighbours (over 50 reports) often playing music and shouting into the small hours, with problems particularly acute in buildings divided into flats. 46 respondents identified drugs, drug dealing and alcohol misuse as an issue. Over 40 respondents identified unruly or threatening behaviour as an issue often fuelled by alcohol or substance misuse. It is not possible to identify the issues reported by address but some people mentioned specific roads or areas where there were problems, e.g. Central St Leonards, Gensing, Ore, Central Hastings, Old Town, and the Hughenden/ Manor Road area.

### ***Management of the private rented sector***

- 4.6 Many residents expressed concern in their written comments about unsatisfactory management of privately rented properties in the town. This was borne out by the survey, which revealed that 69% (315) of residents felt that properties in the proposed area owned by private landlords were not maintained to a good standard. Similarly, many residents 50% (236) did not feel that landlords in the proposed area acted responsibly in letting, managing and maintaining their properties.

### ***The experience of private tenants***

- 4.7 Private tenants were invited to indicate whether they had experienced problems associated with their tenancy. 155 private tenants out of the 160 who provided full responses to the survey, responded to the question with one or more answers. Significantly, 86% (134) highlighted problems of dampness and disrepair; 52% (80) highlighted poor letting practices; 47% (73) highlighted general lack of management and supervision; 40% highlighted lack of fire safety measures; and 27% reported concerns about rubbish accumulations/dirty common parts.

### ***Fees and Discounts***

- 4.8 Residents expressed overwhelming support for the proposal to offer discounts to encourage early licence applications - 79% (354) in favour and for professionally recognised or accredited landlords - 77% (338) in favour. Nearly 74% of residents supported the proposal to charge an increased fee where HBC discovers that a landlord has failed to apply for a licence when required to do so.

### ***Licence Conditions***

- 4.9 There was also overwhelming support (85%) expressed by residents for the proposed licence conditions related to property management, tenancy management and occupancy levels.

## ***Residents - general comments about the proposed licensing scheme***

- 4.10 235 written comments were received from residents within the online survey. A further 27 submissions were received by email or letter from residents. Some examples of comments are set out thematically in the consultation report.
- 4.11 Many residents expressed support for the scheme as proposed. In some cases respondents suggested that the proposed area was too large and resources should be better targeted at the areas with the highest levels of ASB. However, in other cases respondents indicated that licensing should apply across the whole town.
- 4.12 Some tenants expressed concerns about the cost of licensing being passed on to them in increased rent and as a result felt unable to support the scheme. A few also queried whether housing benefit would cover this. Concerns were also expressed about the potential impact on the housing benefit budget.
- 4.13 A great deal of concern was expressed about poor management of PRS properties - both for tenants living in the PRS and the impact on neighbouring properties and the wider community. Several respondents mentioned the fear of retaliatory eviction, where tenants complain about poor living conditions. Problems with letting agents and especially managing agents not taking responsibility for resolving issues was highlighted by a number of people. Some felt that accreditation or regulation of agents was necessary to address this.
- 4.14 Some residents indicated they were also landlords and many expressed similar views to those already captured earlier in section 3 of this report. A handful of respondents mentioned that ASB in social housing was just as much of a problem requiring police and HBC intervention and warranting inclusion in any licensing scheme.

## **5. Businesses' Views**

- 5.1 Despite attempts to promote the survey through targeted publicity, email contact lists, etc., the response from businesses was disappointingly low with only 11 completing the online survey. Nonetheless there was an interesting mix of small businesses including a café, a wholesale fish merchant, a gift shop, a training organisation, a management services business, guest house/hotel (2), property management service (2) and an advice agency. The low response means that the results cannot be considered statistically significant or necessarily representative of the business community.

### ***Views about the proposed scheme***

- 5.2 Businesses were split on the introduction of licensing with 54% (5) unable to support the scheme. However, as already mentioned the sample size is extremely small and two businesses indicated they were involved in letting property, which also might have a bearing on the outcome. Interestingly, of those who expressed support 83% (5) favoured a scheme covering the whole borough.

### ***Anti-Social Behaviour***

- 5.3 For businesses the major ASB concerns highlighted were drug dealing, drug use and alcohol misuse, followed closely by rubbish dumping, fly-tipping and littering. 6 business respondents provided written comments about their experience of ASB in the proposed area and these are summarised thematically in the consultation report. 82%

(9) of businesses reported that they felt safe in their premises and the local area (a similar proportion as residents). 55% (6) of respondents indicated that they had experienced or witnessed ASB from private tenants in the proposed area. 75% (6) felt that landlords were not taking enough action against tenants causing a nuisance or ASB.

### ***Property management***

- 5.4 73% (8) of businesses indicated that they didn't feel all landlords in the proposed area keep their properties up to standard (see Q9 chart overleaf).

### ***Fees, discounts and licence conditions***

- 5.5 There were mixed views expressed by businesses about the proposed discounts on licence fees. 54% (6) were in favour of a reduced fee for those landlords submitting an 'early bird' application and 73% (8) were against a reduced fee for accredited or professionally recognised. There was a similar level of support (64%) expressed by businesses for the proposed licence conditions related to property management, tenancy management and occupancy levels. There was more support for penalising landlords for failing to apply for a licence with 64% (7) of businesses agreeing with the proposed 30% increase in the standard fee.

### ***Businesses - general comments about the proposed licensing scheme***

- 5.6 6 businesses provided written comments within the online survey. A summary of comments from businesses is set out thematically in the consultation report. In outline, there was concern that licensing is simply a form of taxation and income generation, and would lead to rent increases without much benefit for tenants. It was also suggested that the fee structure should take account of the number of dwellings in one building; and rather than 5 years, the scheme should cover a 3 year period. A view was expressed that the scheme wouldn't address ASB because of tenure imbalance and that more owner-occupation should be encouraged at the expense of the PRS and social housing. Also it was suggested that ASB should be seen more as a function of the night-time economy.

## **6. Key Stakeholder Views**

- 6.1 90 separate written submissions were received during the consultation from residents (29), landlords (49), agents (2), landlord organisations (3), tenant organisations (2), advice agency/housing support service (2), university (1) and county councillor/prospective parliamentary candidate (2).
- 6.2 Responses from individual landlords and residents on the whole mirrored comments from the online survey. However, important submissions were received from several representative organisations such as the Residential Landlords Association (RLA), the National Landlords Association (SLA), the Southern Landlords Association (SLA), Hastings Tenants Union (HTU) and Generation Rent. Submissions were also received from Brighton University, BHT Advice Service, Roost Group and the Magdalen & Lasher Charity.
- 6.3 Copies of the more detailed submissions are included in the consultation report, together with a summary of the key points raised by each organisation.
- 6.4 In summary, the landlords' associations are opposed to licensing in principle and are strongly against the HBC proposals. Whilst there may be some degree of acceptance

that ASB is an issue in the town, they remain unconvinced that HBC has demonstrated a link between ASB and the PRS.

- 6.5 Also they hold a firm view that HBC's licensing proposals will not be effective at reducing ASB, as it provides no additional powers and landlords cannot be held responsible for a tenant's ASB as long as they haven't authorised such behaviour. Other concerns are that licensing will simply result in increased costs for tenants, as landlords will raise rents to cover the costs; and it will deter investment by landlords and potentially affect mortgage lenders willingness to lend in the area.
- 6.6 The associations also raised a number of ancillary issues, for example:
- The level of additional resources and investment by HBC to support the scheme and carry out enforcement activity in relation to housing and environmental issues such as fly-tipping and littering
  - The provision of mapping showing ASB by all tenures to enable comparison with the PRS
  - Clarify the link between evidence provided on ASB and the relationship with the PRS
  - ASB is reducing in the town so why is licensing needed
  - Licensing is only concerned with ASB and other issues such as property conditions are irrelevant considerations
  - The options appraisal should have taken into account the changes introduced as part of the ASB, Crime & Policing Act 2014
  - The need to consider the experience of running the mandatory HMO licensing and Additional Licensing schemes in order to benchmark the new scheme against
  - The need to have clearly specified outcomes and targets to measure the success or otherwise of the proposed scheme
- 6.7 The RLA put forward an alternative two path approach involving co-regulation of the PRS linked to accreditation of landlords and statutory enforcement via the local authority. This proposal is set out in some detail as part of the RLA's submission, which is appended to the main consultation report.
- 6.8 An alternative proposal was also put forward by the Roost Group suggesting that the best practice 'joint agency hub meeting' arrangement developed with housing associations, the police and HBC could be rolled out to the PRS as a way of addressing ASB through interventions from other agencies or where all else fails providing evidence to evict tenants.
- 6.9 Organisations representing tenants strongly support HBC's proposed scheme. HTU are in favour of the scheme being extended across all 16 wards in the town and have expressed concern about the economic impact of the growing PRS in Hastings. They also make the point that HBC needs to provide sufficient resources for enforcement activity to ensure the proposed scheme is robust enough. Generation Rent argues that best practice in authorities that have introduced licensing elsewhere demonstrates that it is a more efficient and effective means of tackling negligent landlords, as HBC can simply refuse a licence where appropriate rather than commit significant resources to pursuing prosecutions. In their view the cost of licensing is small and bad housing is as damaging to health as a 'dodgy prawn sandwich' and yet no one complains about the cost of enforcing food regulations.
- 6.10 BHT provides housing advice services in Hastings and strongly supports the proposed 10 ward scheme. They feel that the scheme cost is reasonable and believe that

licensing will have a number of benefits including, driving up housing and safety standards, achieving more sustainable tenancies through reducing instances of retaliatory eviction when tenants report repair issues and by encouraging landlords to be more professional in how they manage their properties. They also make the point that the scheme needs to have ‘teeth’ and be adequately resourced to enable effective enforcement.

- 6.11 The University of Brighton welcomes the proposed scheme as it should bring higher standards of accommodation that meet legislative requirements, good practice in the sector, fit with HBC standards/approach and provide homes in areas where students feel safe to live. However, they expressed some concern that landlords may disinvest due to increasing licence costs especially where flats are in licensable HMOs. They also felt that licensing might encourage some landlords that they would prefer not to engage with to try and get the University to manage their property in order to avoid the need to obtain a licence.
- 6.12 The Magdalen and Lasher charity felt that licensing of their properties was unnecessary and expressed concern about the cost of licensing impacting adversely on their tenants and their charitable objectives. They requested that if HBC proceeds with the scheme registered charities should be exempt.

## 7. Summary of key issues raised by landlords and agents

- 7.1 The following table provides a summary of the key issues raised by landlords and agents if the proposed licensing scheme were to go ahead.

	<b>Issue</b>
1.	Reduce the standard fee
2.	Bigger discount for early applications
3.	Bigger discount for members of recognised bodies, RLA, SLA, NLA, etc., e.g. on a par with the ‘early bird’ application fee
4.	Landlords/agents governed by RICS code of practice or if they are ARLA members should be exempt from licensing
5.	Reduced fee for flats in HMOs already subject to Additional Licensing
6.	Provide discount for landlords with more than one property, especially if they are flats in the same building
7.	Be clear about the maximum discount obtainable if more than one category applies
8.	Enable payment by instalments, e.g. stage payments or an annual fee
9.	Sliding scale/tiered fee structure, e.g. based on size of accommodation (query as to why fee is the same for a studio/1 bed flat as for a 4 bed family house?) or quality of accommodation (to reward good landlords)



10.	Only one licence for a block of flats or a converted building where all flats are owned by the same landlord
11.	Landlords already possessing an HMO licence should be exempt from Selective Licensing if they can demonstrate they manage other properties to the same standard
12.	Provide exemption for charities, such as Magdalen & Lasher
13.	30% penalty for non-compliance is not sufficient to encourage 'rogue' landlords to apply
14.	Penalise landlords where their property is subject to adverse report and charge them for investigation and enforcement
15.	Provide training and support for landlords and agents to help tackle ASB; and develop a partnership approach with HBC and the police
16.	Will Selective Licensing apply to holiday lets and short-term lettings?

## 8. Conclusions

- 8.1 The consultation exercise has highlighted a broad range of views together with a lack of consensus about the likely effect of licensing on ASB. However, it is clear from the results of the online survey that a large majority of residents (83%) support HBC's proposal to introduce Selective Licensing.
- 8.2 Strong support from residents contrasts with vehement opposition from private landlords, managing agents, letting agents and landlords' associations (82% oppose licensing). Many are critical of licensing in principle as in their view it penalises good landlords unfairly; some question the legality of HBC's proposed licensing fees and proposals. They also question whether HBC's data really shows a causal link between the PRS and ASB.
- 8.3 For residents, ASB is a very real issue as indicated by the level of response on this aspect in the online survey. Whilst it is not always possible to attribute it to a particular tenure, it is clear that ASB can significantly reduce the quality of life for local communities.
- 8.4 Many residents expressed their concerns about noisy and inconsiderate neighbours, the effects of drugs, drug dealing and alcohol misuse, and unruly or threatening behaviour often fuelled by alcohol or substance misuse, untidy gardens, and rubbish dumping, as well as more serious forms of ASB. Some residents linked these issues to changing tenure patterns - the shift away from owner-occupation to the growing PRS in some parts of the town.
- 8.5 Landlords and agents felt they should not be held responsible for the actions of tenants in causing these sorts of problems, because they were unable to control their behaviour. They also mentioned the length and cost of legal action to evict tenants and

suggested that currently HBC and local advice agencies automatically take the tenants' side or pursue homelessness prevention policies to delay the point at which they may have a duty to assist with their rehousing.

- 8.6 Residents were concerned about landlords and agents who do not manage their properties properly. Many felt that HBC and other bodies should take more action to deal with ASB by applying existing laws more effectively. Overall, residents supported licensing as a way of addressing ASB, improving the PRS and protecting tenants. However, there were also concerns expressed about whether HBC was in a position to enforce any scheme effectively.
- 8.7 It is unsurprising that no overall consensus about ASB and licensing emerged in the consultation, but it has identified key issues for HBC to consider, including the lawfulness of the draft proposals and associated charges, the evidence base, and ways to support landlords and agents in tackling ASB more effectively. Landlords and agents criticise the costs and the unfairness of charging good landlords as well as bad; and many are suspicious that licensing is a money raising exercise for the council.
- 8.8 The online survey, written comments and individual submissions demonstrate most residents' clear support for HBC's licensing proposals. Understandably some tenants felt unable to support the proposals due to the possibility that it could lead to their rent being increased. While landlords, agents and associations strongly oppose licensing schemes, others in the town broadly support it – even if some have doubts about the capacity of HBC to enforce the scheme effectively.
- 8.9 The separate written submissions and wide ranging comments from the online survey, all make important contributions to the debate about the merits of licensing. Some landlords have made suggestions to make the scheme more palatable for them should it go ahead. Submissions from the RLA, NLA and the SLA focus on the legality of the licensing proposals. They raise issues about what licence fees may legitimately be spent on; the basis on which fees may be discounted; the reality of HBC's ASB evidence and business case; resources available for enforcement; and the general approach to tackling problems in the PRS. All of these are clearly important issues for the council to consider.

## **9. Next Steps**

- 9.1 It is not appropriate for this report to make recommendations to HBC based on the consultation exercise. The consultation has highlighted opposing opinions on licensing. Residents of the town largely support licensing and some tenants have reservations or oppose it, whilst landlords and agents on the whole are opposed to it. However, whilst the population of Hastings is larger than the number of landlords owning property in the town it would not be appropriate to simply base a decision on a majority view. The strength of the arguments and the evidence put forward by both sides needs to be appropriately considered and the merits of different positions given careful consideration. Consequently, the role of this report is to present an analysis of the information, views and opinions expressed during the consultation but not to recommend any particular option or way forward.
- 9.2 HBC will need to base its decision on whether or not to proceed with a policy of Selective Licensing in respect of PRS dwellings in the town, having regard to its understanding of the law, the strength of the evidence concerning ASB and the PRS

and the outcome of the consultation process. Senior officers and elected members must review the issues that have emerged from the consultation while taking account of other relevant evidence. This will inform the final decision by HBC Cabinet members who will need to assess the relative merits of Selective Licensing before adopting or rejecting it as a new policy.

## 7. Risk Log - Selective Licensing

Description of risk	Description of impact	Probability of risk	Impact	Preventative action	Action by	Outcomes of action
Legal challenge	Scheme implementation delayed. Loss of credibility.	Medium	High	Ensure statutory requirements and guidance for designating a selective licensing scheme are fully met.	Head of Housing & Borough Solicitor	Selective Licensing scheme implemented on schedule.
Many landlords do not licence properties	Problems are not solved. Landlords operate illegally. HBC resources taken up with prosecutions.	Low	High	Ensure scheme is promoted and landlords are given information. Use HBC data to target landlords. Offer 'early bird' reductions on fees to encourage compliance. Use enforcement measures where appropriate and publicise.	Housing Renewal Team	Targets for applications received are achieved.  Selective Licensing scheme well understood and supported.
A number of landlords sell their properties	Less private rented accommodation available. Increase in homelessness. Poorest and most vulnerable tenants could be priced out of the market, if less supply. More empty properties.	Low	High	Promote benefits of Selective Licensing.  More work with landlords and tenants.	Housing Renewal Team	Landlords remain invested in the town. Positive working relationship developed with HBC.
Licence fees passed on to tenants through increased rents	Landlords absorb cost to maintain marketing advantage and keep within housing benefit ceiling. Small monthly increase passed on to tenants.	Medium	Medium	Fees set at reasonable level, similar to, or less than, best practice licensing schemes in other local authority areas.	Housing Renewal Team	Increase in rents kept to a minimum.
Higher than planned volume of licensing applications	Delays in the outcome of licensing applications. Loss of credibility. Additional fee income achieved.	Low	Low	Ensure application process is as efficient as possible. Match staff resource to workflow and ensure flexible staffing approach to meet demand.	Housing Renewal Team	Applications administered in accordance with agreed targets.
Insufficient fee income is achieved to self fund the scheme	Scheme will not be self-funding and viability affected. Staff resources diverted from other priority activity.	Low	High	Robust financial modelling to provide sufficient margin to mitigate against a shortfall.	Housing Renewal Team	Fee income sufficient to fund the scheme.

<b>Description of risk</b>	<b>Description of impact</b>	<b>Probability of risk</b>	<b>Impact</b>	<b>Preventative action</b>	<b>Action by</b>	<b>Outcomes of action</b>
Applications not processed quickly enough	Less fee income affecting viability of scheme.	Low	High	Ensure resources available to process applications and carry out inspections.	Housing Renewal Team	Applications administered in accordance with agreed targets.
HBC inadequately manages scheme	Loss of credibility. Demand for services remains unmet. Problems within the community not adequately dealt with.	Low	High	Scheme adequately resourced and staff properly trained. Ensure scheme is enforced in consistent and robust manner.	HBC Cabinet Housing Renewal Team	Scheme successful in delivering agreed outcomes and supported by experienced and efficient staff.
Large numbers of appeals are made to the Residential Property Tribunal Service.	Drain on staff resources to deal with appeals. Fewer applications processed and inspections carried out.	Low	High	Ensure licence conditions are reasonable and enforceable.	Housing Renewal Team	Appeals to Residential Property Tribunal Service kept to a minimum.
Public expectations are too high regarding what the scheme is able to deliver.	The reputation of the scheme suffers and the public lose confidence in the Council. Bad publicity results and future regulation of the private rented sector becomes far more difficult.	Medium	High	Develop a clear communications plan to promote the scheme and explain what it aims to deliver.	Marketing Team	Communications plan effective and public expectations managed.

## 8. Equalities Impact Assessment

### Equalities Impact Assessment: Quick Screening Tool

**Directorate:** Regeneration, Homes and Communities

**Service:** Housing Renewal

**Lead Impact Assessor:** Mark Preston

**Date:** July 2014

**Name of strategy, policy, project, service or “other”:**

**PROJECT: SELECTIVE LICENSING OF THE PRIVATE RENTED SECTOR**

**Person(s) or team(s) responsible for delivery of above:** Housing Renewal team, with support from other key partners including Housing Options, Environmental Protection, Street Wardens and the Police.

#### 1. What is the purpose of the project? Please describe:

To introduce a Selective Licensing scheme under Part 3 of the Housing Act 2004, to cover wards in the town with above average levels of private rented dwellings, in order to improve standards and achieve more consistent and effective management across the sector.

#### 2. Who will be affected and how? Please describe:

##### Landlords (freeholders and leaseholders)

May be required to apply for a licence for their properties, and subsequently comply with and maintain required standards.

Landlords may also benefit from training opportunities and will be expected to ensure the provision of quality accommodation.

##### Managing agents

May be required to apply for a licence for properties they manage, and subsequently comply with and maintain required standards.

##### University College Hastings, Hastings College etc

Will benefit from greater availability of good quality properties suitable for student accommodation.

##### East Sussex Fire and Rescue Service

Licensing will mean we are able to bring larger numbers of buildings converted into self-contained flats up to adequate fire safety standards, and share information on these with the fire service in line with the joint working protocol.

##### Tenants of private rented accommodation

Will benefit directly because their landlord will be required by law to improve and maintain standards of fire safety, security and management.

### People living in the vicinity of privately rented homes

Licensing of privately rented homes is an effective tool for controlling anti-social behaviour and related disturbance. As a result, areas covered by licensing may benefit from reduced levels of decline, crime and fear of crime.

### **3. Does the item fit with the Council's priorities? Please describe:**

Yes, the proposed Selective Licensing Project fits closely with a range of Council priorities including:

**Fairness and Equality** – The project incorporates a strong commitment to providing an accessible, efficient and effective licence application process. It should also help deliver an improved quality of life for private tenants. If the Council decides to proceed with a Selective Licensing designation, a 10 week public consultation will follow before it can reach a final decision and this will help to hold the Council to account for any future decision.

**Economic and Physical Regeneration** – The project is focused on improving the quality of accommodation within the private rented sector, ensuring minimum housing standards, potentially bringing empty homes back into use and refurbishing private properties in disadvantaged areas, all of which will contribute to regeneration within the town.

**Interventionist Council** – The project will contribute directly to keeping the town clean, safe and attractive, tackling enviro-crime, poor housing and eyesore properties by providing a means of improving poor housing, relating not only to the physical property itself but also its management.

**Facing Financial Challenges** – The project includes actions which maximise opportunities for joined up working with partners to deliver services more effectively and achieve better outcomes without increased cost to the authority.

### **4. Does it help to achieve the aims of the Equalities Scheme? Please describe:**

The approved Single Equalities Scheme (SES) acknowledges that the Council may take discretionary enforcement action (such as Selective Licensing of the private rented sector) to help improve housing standards. Where it does so, there is a commitment that the Council will not use enforcement action to discriminate, with particular regard to: race; gender; disability; sexuality; age; religion and belief; and investigations will conform to legislative requirements, codes of practice and guidance. The findings of this impact assessment contribute to the SES (objective 5) by clearly identifying how equalities and cohesion issues will be addressed in developing this new policy, and how any likely impacts are to be mitigated.

### **5. Equalities Impact Assessment - Consultation**

If the Council decides to proceed with a Selective Licensing scheme, it is required to carry out a comprehensive consultation exercise before reaching a final decision. If appropriate a more detailed equality impact assessment will be undertaken at this stage to take account of any issues arising from consultation.

## Equalities Relevance Testing Tool

This tool determines the degree of consultation required.

When considering whether there would be a negative impact, you should consider the following:

- If the item could potentially discriminate unlawfully against any group (High)
- If any group could be denied fair and equal treatment (High)
- If there have been any concerns or complaints expressed about the item (or similar items elsewhere) having a negative impact
- There may also be a positive impact; this would give a 'Low' in the ratings.
- If it could actively promote good relations between different groups
- If it could promote equality of opportunity
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Group	Likelihood of negative effect	Impact of one negative effect	Overall assessment rating	Describe potential and actual impacts
<b>Disability</b>	High Medium Low ✓	High Medium ✓ Low	High Medium ✓ Low	Licensing must take into consideration whether any occupants of a licensable property would be considered vulnerable, whether in terms of disability, age, etc. This is to ensure that no works asked for or conditions applied to the licence will have an adverse impact on persons with disabilities, e.g. creating a means of escape that may adversely affect someone with a disability to evacuate safely.
<b>Gender</b>	High Medium Low ✓	High Medium Low ✓	High Medium Low ✓	No evidence or data to suggest Selective Licensing would have any gender related impact.
<b>Sexual Orientation</b>	High Medium Low ✓	High Medium Low ✓	High Medium Low ✓	Case study in evidence where Council intervention related to enforcement of Licensing legislation was interpreted as harassment by a cohabiting couple. The couple had been experiencing hate related incidents from a neighbour, who had involved us by reporting their property as being licensable. Our involvement had a positive effect, as we were able to signpost to support services.



<b>Race</b>	High Medium ✓ Low	High Medium ✓ Low	High Medium ✓ Low	<p>Understanding of legislation, language barrier. Specific issue for migrant workers.</p> <p>Evidence of a 'migrant housing market' in Central St Leonards leading to overcrowding, unsatisfactory housing conditions and poor safety standards. There is also present an issue where migrant workers do not want our involvement as it may result in their landlord relocating or evicting them. This creates a hidden community, which is difficult to access.</p> <p>As many migrant workers are reluctant to complain, licensing should make a positive impact as it is the landlord that will have to license the property with us rather than the Service actively seeking out these properties.</p>
<b>Religion/ belief</b>	High Medium Low ✓	High Medium Low ✓	High Medium Low ✓	No evidence or data to suggest Selective Licensing would have any religion/belief related impact.
<b>Age</b>	High Medium Low ✓	High Medium Low ✓	High Medium Low ✓	Elderly persons and persons under 16 are taken into account when forming a risk assessment of the property. If either is present, a higher risk level may be awarded on the basis of vulnerability in the case of an emergency, i.e. means of escape.
<b>Social and economic exclusion</b>	High Medium ✓ Low	High Medium ✓ Low	High Medium ✓ Low	<p>Overall the impact of Selective Licensing on tenants would be positive as the primary remit is to address risk and safety of occupants, particularly where vulnerability exists. Economic exclusion may result in terms of the costs involved with licensing a property and meeting the standards required by the licence, i.e. that the costs will be passed onto the tenants of the leaseholders. This may be compounded by the impact of current changes to housing welfare.</p> <p>There may be an initial dip in the accommodation provided, as irresponsible landlords move away from the market.</p>

				<p>However, it is likely that responsible landlords will fill the gap and the 'licence' will become a market incentive for tenants looking for affordable, good quality and well managed accommodation.</p> <p>Particular care is being taken to ensure that our forms and literature explain the legislation and requirements of licensing in a clear and concise way, so as not to exclude anyone with learning or educational difficulties.</p> <p>Tenants of private rented properties may not be aware of the legislation, their rights and responsibilities as tenants, and the responsibilities of their landlord. This may need addressing during the life of the project.</p>
<b>Transgender</b>	High Medium Low ✓	High Medium ✓ Low	High Medium ✓ Low	Hate crime, sharing of amenities and private rented accommodation can result in groups cohabiting together where discrimination could be a problem.
<b>Other</b>	High Medium Low ✓	High Medium Low ✓	High Medium Low ✓	<p>Landlords - issues between responsible landlords coming forward to license their properties and finding those who don't come forward. Awareness raising of prosecution, amnesties and proactive area targeting may be needed.</p> <p>Licensing can be perceived as being costly to landlords – Creating a greater understanding of what is being purchased and how the licence fee is calculated may be needed.</p>

## **9. Background Papers**

Housing Act 2004

Anti-Social Behaviour, Crime and Policing Act 2014

Approval steps for additional and selective licensing designations in England - February 2010, CLG

Local Government Regulation – Guidance - March 2011

Hastings Private Sector House Condition Survey 2008

Hastings & St Leonards Housing Strategy 2009-2013

Hastings & St Leonards Empty Homes Strategy 2009-2013

Hastings & St Leonards Homelessness Strategy 2013-2015

Hastings BC Corporate Plan 2014-15

Hastings Community Safety Plan Refresh 2013-14

Open for business - LGA guidance on locally set fees - LGA Briefing January 2014

Hastings & St Leonards Anti-Poverty Strategy 2011