

Brighton & Hove City Council

Housing and New Homes Committee

Agenda Item 63

Subject:	Private Sector Housing – Discretionary Selective Licensing Scheme
Date of Meeting:	13 March 2024
Report of:	Executive Director Housing, Neighbourhoods and Communities
Contact Officer: Name:	Diane Hughes
Email:	Diane.Hughes@brighton-hove.gov.uk
Ward(s) affected:	Kemp Town, Moulsecoomb & Bevendean, Queens Park and Whitehawk & Marina Brunswick & Adelaide, Central Hove, Goldsmid, Hanover & Elm Grove, Hollingdean & Fiveways, Preston Park, Regency, Rottingdean & West Saltdean, Round Hill, South Portslade, West Hill & North Laine, Westbourne & Poets Corner and Wish

For general release

1. PURPOSE OF REPORT

- 1.1 This report seeks approval for a selective licensing scheme for the private rented housing sector in Brighton & Hove which follows a public consultation carried out between Wednesday 4 October 2023 and Wednesday 3 January 2024.
- 1.2 It is proposed that 4 wards, Kemp Town, Moulsecoomb & Bevendean, Queens Park and Whitehawk & Marina are covered by the scheme. A subsequent second phase is also proposed for the scheme across 13 wards. The wards are Brunswick & Adelaide, Central Hove, Goldsmid, Hanover & Elm Grove, Hollingdean & Fiveways, Preston Park, Regency, Rottingdean & West Saltdean, Round Hill, South Portslade, West Hill & North Laine, Westbourne & Poets Corner and Wish. The 13 wards would be subject to Secretary of State approval.
- 1.3 This report also provides a proposed fee structure and licensing conditions for the proposed licensing scheme that require approval.

2. RECOMMENDATIONS:

That Housing & New Homes Committee:

- 2.1 Notes results of the consultation on the proposed selective licensing scheme, as summarised in this report and detailed in a Consultation Findings' Report by CJ Associates at Appendix 1.

2.2 Designates the four wards below as subject to selective licensing under section 80 of the Housing Act 2004 from 2 September 2024 and to run for a period of five years.

- Kemp Town
- Moulsecoomb & Bevendean
- Queens Park
- Whitehawk & Marina

and authorises the Executive Director for Housing, Neighbourhoods and Communities to issue a statutory notification.

2.3 Designates the thirteen wards below as subject to selective licensing under section 80 of the Housing Act 2004.

- Brunswick & Adelaide
- Central Hove
- Goldsmid
- Hanover & Elm Grove
- Hollingdean & Fiveways
- Preston Park
- Regency
- Rottingdean & West Saltdean
- Round Hill
- South Portslade
- West Hill & North Laine
- Westbourne & Poets Corner
- Wish

And authorises the Executive Director for Housing, Neighbourhoods and Communities to submit an application for confirmation of the designation to the Secretary of State.

2.4 Agrees the fee structure for a selective licensing scheme as set out in paragraphs 3.33 to 3.37.

2.5 Approves the selective licensing scheme conditions attached at Appendix 3.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 Housing Committee on 15 March 2023 approved the recommendation for a public consultation on:

- Selective licensing on all non-HMO private rented sector homes in four wards where the evidence demonstrates a clear link between poor property conditions, deprivation and private rented homes. These wards are Kempdown, Moulsecoomb & Bevendean, Queen's Park and Whitehawk & Marina.
- With a further option in 13 wards in the city on the grounds of poor property conditions. These wards are Brunswick & Adelaide, Central

Hove, Goldsmid, Hanover & Elm Grove, Hollingdean & Fiveways, Preston Park, Regency, Rottingdean & West Saltdean, Round Hill, South Portslade, West Hill & North Laine, Westbourne & Poets Corner and Wish.

3.2 Housing Committee on 20 September 2023 approved the recommendation for a proposed fee structure for selective licensing and noted draft licensing conditions for the scheme. Those conditions formed part of the public consultation.

3.3 The introduction of further licensing in the city aims to improve property conditions and management of the private rented sector. Benefits from a tenant, housing landlord, community and homelessness aspect are:

- Tenants – better managed, safer and fit to occupy properties resulting from the proposed licensing scheme.
- Landlords – opportunities for growth in the private rented sector, as tenants seek good and well managed homes. In addition, improved clarity for landlords on how to provide best quality, rented housing.
- Community – a proactive approach to improving private rented housing standards by the proposed scheme. Plus, for the 4 wards selected for licensing, opportunities for reduced deprivation, from a healthier and habitable private rented sector.
- Positive impacts on homelessness – by working to reduce abrupt end of tenancies using early intervention and dialogue with licence holders of the proposed scheme.

3.4 If the scheme is not introduced there are negative outcomes for each of the benefits listed above, as below:

- For tenants – the management, safety or fitness of properties is unlikely to improve.
- For landlords – reduced opportunities for growth in the private rented sector, as tenants would have less options for good and well managed homes. In addition, landlords would not benefit on how to provide best quality, rented housing.
- For the community – a proactive approach to improving private rented housing standards would not come, and for the 4 wards selected for licensing less appetite for reduced deprivation by no healthier or habitable private rented sector.
- For homelessness - weakened prospects of reducing abrupt end of tenancies by no direct engagement with licence holders, as the licensing scheme would not be in place.

Public consultation

- 3.5 The consultation was completed in line with guidance by the Department for Levelling Up, Housing & Communities' Selective licensing in the private rented sector - a guide for local authorities (updated 20 June 2023):

The consultation should be informative, clear and to the point, so the proposal is readily understood. It should inform local residents, landlords, letting agents and businesses about the proposed designation, giving the reasons for proposing it, why alternative remedies are insufficient, demonstrating how it will tackle specific problems together with other specified measures, and describing the proposed outcome of the designation. It should also set out the proposed fee structure and level of fees the authority is minded to charge (if any). Consultees should be invited to give their views, and these should all be considered and responded to.

Preparation and timelines

- 3.6 If a designation is made for licensing of 4 wards, then it is initially expected that licence applications will be received for 2,100 properties. If approval by the Secretary of State is received for licensing of 13 wards, then it is initially estimated that licence applications will be received for 9,500 properties.
- 3.7 The target start date is 2 September 2024 for the 4 wards' licensing scheme. For the 13 wards' scheme, then 6 months after running the 4 wards' scheme consideration will be given for making an application to the Secretary of State for approval of those 13 wards. This would allow enough time (from approval of 4 wards) for the council to undertake preparatory work to set up a scheme and allow for the statutory 3-month designation period to take effect. Preparations include setting up an online application form, changes to existing IT and staff recruitment. Both the 4 and 13 wards licensing schemes would run for 5 years.
- 3.8 Extra resources are needed for licensing of 4 and 13 wards for work relating to Housing, Health and Safety Rating System (HHSRS) property assessments and any enforcement. Budgets would need to be identified and made available, otherwise the 4 and 13 ward schemes would be ineffective.
- 3.9 Paragraph 7.1 of this report outlines required resources for the schemes and HHSRS work.

Outcome of the consultation

- 3.10 During analysis of the consultation it was identified that a third party had been associated with some of the responses to the online survey. This resulted in similar responses being identified to a particular survey question. However, this is not considered an issue for the consultation, as it was respondents' own choice on whether or not to involve that party. In addition, the public consultation's purpose is to seek views on the proposed licensing scheme (for 4 and 13 wards). The consultation has met this purpose.

- 3.11 In general, there is broad agreement from residents (housing tenants and owner occupiers) that the proposed licensing scheme will improve management and conditions of properties. The opposite is found for housing landlords and agents. Most disagree the scheme will improve management and conditions of properties. However, some landlords or agents neither agree or disagree and a few show agreement.
- 3.12 CJ Associates assisted the council with the consultation. The Consultation Findings' Report by them at Appendix 1 provides further analysis of the consultation.
- 3.13 A number of consistent themes emerged throughout the consultation:
- Property conditions, with issues impacting on health
 - Fear of eviction from housing tenants, if reporting property conditions
 - Housing landlords and agents acting on reports of property conditions
 - Disagreement the licensing scheme will reduce deprivation (in the 4 wards proposed) and also agreement deprivation will reduce
 - Objections to the proposed licensing scheme due to costs and shrinking housing supply
 - Concerns the licensing scheme will not be resourced properly
 - Enforcement of the proposed scheme is essential for it to be effective
 - Difficulty for some properties to meet a C Energy Performance Certificate (EPC) rating
 - Disagreement on a proposed discounted licence fee for landlords accredited with landlord groups
 - Improvements required to the council's online licence application and payment system
 - Views on piloting the licensing scheme first and also to review it annually
- 3.14 Further to the consistent themes in paragraph 3.13 above then responses to all themes (including consistent themes) are provided in Appendix 2. Due to the consultation feedback, changes are now made to the original selective licensing scheme proposals. These are shown in **Table 1** below. After that table there is a summarised response for each consistent theme outlined.

Table 1 – Themes, pre and post consultation

Theme	Pre-Consultation	Post Consultation
Difficulty for some properties to meet a C Energy Performance Certificate (EPC) rating	Discounted licence fee. The proposed discounted fee of £75 available only for properties with an EPC rating of C or above.	The discounted fee of £75 to apply where a property's "potential" EPC rating is met and has a rating of E or higher
Discount for multi property ownership (in the same block and ownership/management)	Not included	Discounted fee of £50 for the second property onwards
Discount for charities	Not included	The discounted fee of £75 to apply where a charity is

		registered with the charity commission for England and Wales
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Theme 1: Property conditions, with issues impacting on health

- 3.15 It is proposed to introduce the selective licensing to improve property conditions, as well as better management of properties. In addition, properties may be assessed for any serious HHSRS hazards (Category 1 or high rated Category 2 hazards). Property repairs or improvements would be required to mitigate any serious hazards impacting on health or safety.

Theme 2: Fear of eviction from housing tenants, if reporting property conditions

- 3.16 This concern is noted, and the council provides advice for housing tenants on fear of or revenge eviction. We would continue to encourage tenants to report property conditions to us so action can be taken where required. In addition, the proposed scheme helps take away the need for tenants to report issues, as a landlord (or property agent) would be required to licence their property and for the council to inspect it.

Theme 3: Housing landlords and agents acting on reports of property conditions

- 3.17 The council welcomes landlords and agents acting on property conditions. However, there are issues with the management of properties, poor property conditions and deprivation (for the 4 wards proposed for selective licensing).

Theme 4: Disagreement the licensing scheme will reduce deprivation (in the 4 wards proposed) and also agreement deprivation will reduce

- 3.18 For the 4 wards proposed for the scheme, and in line with the theme of deprivation expected to reduce, then a healthier and habitable private rented sector in those wards is expected.

Theme 5: Objections to the proposed licensing scheme due to costs and shrinking housing supply

- 3.19 The council notes views raised on housing rent increases perceived to result from proposed licence application fees and how that may cause instability for the housing market. Taking into consideration licence fees and other costs, for example on works to properties, there are no reasons for rents to increase or housing supply to shrink. See paragraphs 3.50 to 3.54 below for more information on licence fees.
- 3.20 Works to properties are expected to be funded by specific budgets, not by raising rental fees. Letting property is a business which requires investment and housing rents cannot be increased without good reason.

Theme 6: Concerns the licensing scheme will not be resourced properly

- 3.21 A number of concerns were raised on resourcing the proposed licensing scheme. Further to this report's commentary on required resources for the scheme both to administer and enforce the scheme there will be adequate support in place. Recruitment for required additional staff will commence if the scheme is agreed.

Theme 7: Enforcement of the proposed scheme is essential for it to be effective

- 3.22 The council believes that the private rented sector should be well managed and that everyone has the right to live in decent, safe accommodation. Enforcement of the proposed scheme will be in accordance with the council's Private Sector Housing Enforcement Policy.

Theme 8: Difficulty for some properties to meet a C Energy Performance Certificate (EPC) rating

- 3.23 Concern was raised for some properties not able to reach an EPC rating of C or above and landlords not able to benefit from the £75 discounted licence fee. It is now proposed to offer the discounted fee where: (1) a property has an EPC rating of C or above; or (2) a property's "potential" energy efficiency rating has been met and has an EPC rating of E or higher.
- 3.24 It should also be noted that since 1 April 2022, landlords can no longer let or continue to let properties by the Minimum Energy Efficiency Standards Regulations if they have an EPC rating below E, unless there is a valid exemption in place.

Theme 9: Disagreement on a proposed discounted licence fee for landlords accredited with landlord groups

- 3.25 The council notes there were disagreements on proposed discounted licence fees for accredited landlords. Research completed in 2022 by the Department of Levelling Up, Housing and Communities and in line with the English Housing Survey found that 30% of landlords show good practice, 24% follow legal requirements, 35% had mixed compliance and 11% had lower compliance and awareness. Therefore, it is felt that offering discounted fees to landlords who are accredited and meet national standards of good practice, will then encourage more landlords to follow best practice. In addition, it is common for other local authorities to offer discounted licence fees for accredited landlords.

Theme 10: Improvements required to the council's online licence application and payment system

- 3.26 The council is acting on requests to improve the licence application and payment system. It will now be reviewed and adjustments or improvements made. In addition, we welcome ongoing feedback from customers on their experiences of the system so any future adjustments or improvements are made.

Theme 11: Views on piloting the selective licensing scheme first and also to review it annually

- 3.27 The council notes the request to pilot the proposed scheme. However, licensing legislation does not allow local authorities to pilot licensing schemes. However, if the scheme were to be introduced, the council would look at reviewing the effectiveness of the scheme throughout its duration and would use that learning to inform any future schemes.

Exemptions from Selective Licensing

- 3.28 In addition, a significant theme from the consultation was on exemptions from the proposed licensing scheme. The council recognises that on some occasions there will be properties exempt from the proposed scheme.
- 3.29 Exemptions would be considered on a case-by-case basis, at the licence application stage. The council would be able to grant exemptions if statutory criteria is met under Housing Act 2004 or The Selective Licensing of Houses (Specified Exemptions) (England) Order 2006.
- 3.30 This legislation details circumstances on when exemptions apply. This is based on the type of tenancy the property is occupied under. Tenancies issued by housing associations or for properties where the council owns the building but is managed by a private organisation (such as a charitable organisation and in conjunction with the council) then exemptions would normally apply.
- 3.31 There is also provision under the legislation to grant temporary exemptions, normally for 3 months and a further 3 months if circumstances allow. For example, if a housing landlord has passed away and the property is marketed for sale.
- 3.32 Where no statutory exemption exists then the council would not exclude a particular type of property from the proposed selective licensing scheme. This includes properties belonging to the Build to Rent housing sector, and any other new build developments or charitable organisations. However, a licence fee application discount is being proposed for multi-dwelling developments and licence holders who are registered with charities.

Licence fees and discounts

- 3.33 Following the licence fee structure presented at the 20 September 2023 Housing Committee, the structure to apply for the proposed selective licensing scheme is in **Table 1** below. This also details discounted licence fees for accredited landlords and Energy Performance Certificate ratings, weekly fee comparisons and prompted fee (for late applications).

Standard application fee	Standard weekly fee comparison	Prompted fee
£670	£2.57	£760
Accredited/EPC rating C or above or a property's "potential" rating is met and has a rating of E or higher (£75 discount)	Accredited/EPC rating C or above or a property's "potential" rating is met and has a rating of E or higher – weekly fee comparison	
£595	£2.29	

Table 1 - proposed Selective Licensing Scheme fee

- 3.34 The licence fee enables the council to achieve full cost recovery for the proposed scheme. In addition, the fee is not considered too onerous (less than £3 per week over the proposed 5-year scheme) and is fully tax deductible.
- 3.35 Following requests from Propertymark (a professional membership body for estate and letting agents) during the public consultation for discounted licence fees, it is proposed to add this organisation for eligible discounted fees. Therefore, a £75 discounted licence fee would be available for an estate or letting agent licence holder with associate membership of Propertymark.
- 3.36 Further to themes identified on exemptions from the scheme, then it is proposed to offer new discounted licence fees in **Table 2** below. These are a multi-dwelling licence application discount and for housing organisations (charities) registered with the charity commission for England and Wales a discounted fee.

Multi-dwelling discount¹	Housing organisations (charities)
<p>For the first property, all applicants required to pay Part A £447 and Part B £223 for up to a 5-year licence. For the second property onwards, all applicants are required to pay Part A £447 and Part B £173 (£50 less than the first property) for up to a 5-year licence.</p> <p><i>¹Where there are multiple flats in the same block and ownership/management then licence holders would be eligible for a Multi-Dwelling Selective Licence fee.</i></p>	<p>For each property, applicants required to pay Part A £447 and Part B £148 for up to a 5-year licence (a total application fee of £595 which is £75 less than the standard application fee)</p>

Table 2 - proposed Selective Licensing Scheme standard application fee with new discounts

- 3.37 It is also proposed that for housing landlords or agents making a selective licence application, who then receive a licence satisfactorily, are eligible to nominate the licensed property for the council's Direct Lets' Scheme. This provides housing assistance for vulnerable households who have approached the council and struggling to access private rented accommodation. It is further proposed that by joining the Direct Lets' Scheme the holder of the selective licence receives financial assistance equal to the cost of that licence.

Selective licensing conditions

- 3.38 Through licensing, landlords have to meet appropriate and professional standards of conduct, demonstrate that their property meets health and safety standards including electrical safety and that they exercise appropriate management of the building to help reduce any adverse impacts on the neighbourhoods. This licensing scheme will help to drive up standards in the private rented sector and ensure that properties are safe to occupy.
- 3.39 Licence conditions will apply, and it is proposed the conditions at Appendix 3 are set for the proposed licensing scheme. No changes have been made to these conditions following the consultation. The scheme will also be monitored and reviewed during its duration to ensure that it is operating effectively.

4. ANALYSIS & CONSIDERATION OF ANY OPTIONS

- 4.1 The report on Private Sector Housing: Discretionary Licensing Evidence discussed at Housing Committee on 15 March 2023 undertook a full options appraisal on options for licensing in the city. The Committee agreed to proceed with the public consultation as outlined in paragraph 3.1 of this report.
- 4.2 If budgets for HHSRS work cannot be identified for licensing of 4 and 13 wards, as outlined in paragraph 3.8 the council could not run an effective scheme. Not running a scheme would bring negative outcomes, as the council would not be proactively addressing the issues identified.
- 4.3 Introducing the scheme for 4 wards only and not 13 wards may be an option if a budget for HHSRS in the 4 wards could only be identified. If a further selective licensing scheme was required at a later date a refresh of the evidence would be required and a new consultation would need to be undertaken.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 Extensive consultation has taken place on the proposed selective licensing scheme, and in total 893 responses were received during the engagement. There were also 62 participants joining six stakeholder events. In addition, there were 12 separate written responses received.
- 5.2 Appendix 1: Consultation Findings' Report by CJ Associates and Appendix 2: Themes Arising from the Consultation and Responses both provide further analysis of responses. Approaches taken for the consultation were:

- Launch of the consultation promoted through the council's website and social media channels and full-page adverts in Brightonian and Hovarian magazines.
- London Property Licensing was used to promote the consultation who have a wide housing landlord audience outside of Brighton and Hove.
- The council's website allowed respondents to have their say on the consultation by way of a questionnaire survey.
- The same information online was distributed in consultation packs, with postage paid return envelopes for completed questionnaires, across all the city's libraries and other council locations.
- Residents and businesses were consulted during the consultation and responses came from private rented tenants, social housing tenants, owner occupiers, landlords, letting and managing agents.
- Property agents in the city with an interest in landlords located overseas were also consulted.
- Further organisations were engaged such as landlord accreditation groups (ihowz Landlord Association, National Residential Landlords Association and Safeagent), East Sussex Fire and Rescue Service, Sussex Police, Universities (University of Brighton, University of Sussex, and British and Irish Modern Music Institute) and voluntary or community groups – those acting for private tenants.
- The consultation was also promoted by the National Health Service - Primary Health Care news bulletins reaching General Practitioners' Practices and other Primary Care staff.
- Just life foundation, acting for homelessness prevention, ran an article on the consultation in one of its community newsletters.
- More organisations, the National Energy Action, British Red Cross, Brighton & Hove Energy Services Co-operative, Brighton & Hove Food Partnership, Money Advice Plus and Southern Water – were also engaged.
- Use of machine-readable codes (QR codes) taking smart device users (phone or tablet users) direct to the online consultation were shared across the city.
- Consultation postcards with QR codes were sent to 200 randomly selected addresses (with estimated occupation by private rented tenants) for each of the 4 and 13 wards proposed for licensing, with a total of 3,400 postcards released.
- Posters with QR codes were displayed in the city's libraries, selected leisure centres and the University of Brighton.
- Electronic posters with QR codes were located at Hove and Brighton town centre bus stops and flyers were also placed in a variety of locations across the city.

6. CONCLUSION

- 6.1 The consultation and evidence indicates that a selective licensing scheme, as documented, is both an appropriate and proportionate response to issues identified. The target start date for the 4 wards' scheme is 2 September 2024 which would last for 5 years. After running the 4 wards' scheme for 6 months then further consideration would follow on making an application to the Secretary of State for the 13 wards' scheme. It is anticipated that the application then this

would be made in the first half of 2025. Additional budgets are needed (for HHSRS costs) to ensure the licensing scheme is effective.

6.2 In addition, agreement is sought on the selective licensing fee structure and licensing conditions which apply to the scheme.

7. FINANCIAL & OTHER IMPLICATIONS:

7.1 Financial Implications:

7.1.1 **4 Ward Selective Licensing scheme** - The fees for selective licensing scheme are set to recover costs over the 5-year life of the scheme and the scheme is therefore cost neutral to the council other than the implications for the costs associated with the Housing, Health and Safety Rating System (HHSRS) discussed below. The 4-ward scheme requires an average of 5 officers (full time equivalent) for each of the 5 years. The number of staff required will fluctuate over individual years, depending on the number of applications expected in each year and more resources may be required early on in the scheme when the majority of applications will be received. For 2024/25, staff, set up costs and running costs are estimated to be £270,000 for 8 full time equivalent staff (part year effect). The service is aware that they need to align recruitment with the expected level of license applications to alleviate any cash flow problems or budget pressures. The total cost for the 4-ward scheme, over 5 years, is anticipated to be £1.268m and will be met from licence fees.

7.1.2 **13 Ward Selective Licensing Scheme** - The fees for selective licensing scheme are set to recover costs over the 5-year life of the scheme and the scheme is therefore cost neutral to the council other than the implications for the costs associated with the Housing, Health and Safety Rating System (HHSRS) discussed below. The total cost for a 13-ward scheme over 5 years is £5.767m with an average of 22.5 officers (full time equivalent) required for each year. Similar to the 4-ward selective licensing scheme, the number of staff required will fluctuate over individual years, depending on the number of applications expected in each year. If approval from the Secretary of State is given for the scheme then it is anticipated it would commence in 2025/26. The service is aware that they need to align recruitment with the expected level of license applications to alleviate any cash flow problems or the risk of budget pressures arising over the life of the scheme.

7.1.3 A review of the cash flow for both of these schemes, using assumptions from the Private Sector Housing Team and various external experts (Cadence Innova and Meta Street Ltd.) indicates that there will be sufficient income from licensing fees in each of the five years to pay for any staffing costs, set-up and mobilisation costs in particular in the first year of the scheme. Therefore, no up-front pump-priming budget will be required.

7.1.4 **Housing, Health and Safety Rating System (HHSRS)** - The Selective Licence application fee income would be used for operating the licensing schemes only and not for staffing or work involved with HHSRS (explained in the body of the report). It is projected that this work would require an additional budget of £22,000 per annum for 5 years for the 4-ward scheme commencing in 2024/25

which will need to be managed within existing budgets for Private Sector Housing for 2024/25 and treated as a financial commitment in future years' budgets. The estimate for the 13-ward scheme is £100,000 per annum for 5 years and is subject to Secretary of State approval. Any financial commitments resulting from the 13-ward proposal, given the size of this financial commitment will require confirmation from Strategy Finance and City Regeneration Committee to be included as an ongoing commitment in future years.

Name of Finance Officer Consulted: Monica Brooks Date: 29/2/24.

7.2 Legal Implications:

This report and earlier reports set out the legal framework for the introduction of selective licensing schemes under the Housing Act 2004. The next stage is designation. A selective licensing designation cannot come into force unless it has been confirmed by the appropriate national authority, or it falls within the terms of a General Approval. The designation of the 4 wards referred to in paragraph 2.2 falls within the terms of the General Approval 2015. The designation of the further 13 wards does not and will require consent from the Secretary of State. That minister may either confirm, or refuse to confirm, the designation. There is a risk that the data may not be accepted as relevant enough due to a delay in making the application after designation. The Secretary of State's decision is one which is open to challenge by way of Judicial Review. That was the case on the last occasion. The challenge was made initially to the council's application, but also subsequently to the Secretary of State's approval of the licensing scheme. The risk of challenge is unavoidable, and officers will need to remain alert to challenges to the schemes.

Lawyer Consulted: Liz Woodley Date: 01/03/24.

7.3 Equalities Implications:

A full Equalities Impact Assessment has been completed for the proposed selective licensing scheme which is attached in Appendix 4. No significant negative consequences relating to groups with protected characteristics were identified.

7.4 Sustainability Implications:

The evidence has identified issues with management and poor property conditions in the private rented sector. Measures are proposed to improve the sector's quality and provide greater housing choices. This will support sustainability. Discounted licence fees for properties with an EPC rating C or above or where a property's "potential" rating is met and has a rating of E or higher will benefit from energy efficiency. With further advantages for reduced energy bills, warmer and comfortable homes and reduced carbon footprints.

Any Other Significant Implications:

7.5 The introduction of the selective licensing scheme seeks to benefit tenants, housing landlords, the community and reduce abrupt end of tenancies linked to homelessness in the city. If the scheme is not introduced there are notable

negative outcomes for tenants, housing landlords, the community and homelessness. Essentially, there are risks of the benefits not arising.

SUPPORTING DOCUMENTATION

Appendices

Appendix 1 & 1a: Consultation Findings' Report by CJ Associates

Appendix 2: Themes Arising from the Consultation and Responses

Appendix 3: Selective Licensing Scheme Conditions

Appendix 4: Equalities Impact Assessment

Documents in Members' Rooms:

- Full consultation feedback and responses

Background Documents:

- Housing Act 2004
- Feasibility study by Cadence Innova, February 2023 on Selective and Additional Licensing Schemes
- Private rented sector: housing stock condition and stressors report by Meta Street Ltd, March 2023
- The Department for Levelling Up, Housing & Communities' Selective licensing in the private rented sector: a guide for local authorities (updated 20 June 2023)