

## Newcastle City Council

# Consultation on the Proposed Selective Licensing Designation

## Executive Summary

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### Introduction

Newcastle City Council is consulting on re-designating Selective Licensing Schemes for private rented accommodation. This document is intended to inform you of the proposal, the reasons behind it and the impact it will have.

Information on how to provide feedback on this proposal can be found at the end of this document.

### Proposal

We currently have seven designated Selective Licensing Schemes in Newcastle. We are consulting on re-designating two of these schemes.

- \* Greater High Cross (ended October 2020)
- \* Byker Old Town (ends October 2021)

These schemes licence approximately 880 properties and have been operating for over 5 years.

The designation will last up to 5 years, and a property licence will help to ensure that:

- \* Tools and powers are available to tackle Anti-Social Behaviour (ASB)
- \* Properties are maintained in line with legal requirements and licence conditions.
- \* All tenancies are well managed.

- \* Landlords and managing agents involved in managing properties are fit and proper.
- \* Criminal and rogue landlords are targeted, and appropriate action is taken against them.

Selective Licensing would require all private rented properties highlighted on the maps below to have a Selective Licence.

If less than 20% of an area's private rented sector or 20% of its geographical area is to be licenced a Local authority is allowed to self designate the Selective Licensing Scheme. Across all Selective Licensing Schemes approximately 4,250 properties will be licensed, under the 20% threshold. We therefore propose to self designate the scheme.

Failure to apply for a licence is a criminal offence and can result in a prosecution or Civil Penalty.

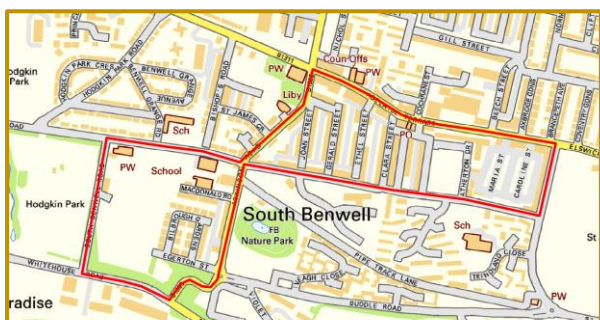
### Greater High Cross

Selective Licensing was introduced in Greater High Cross in September 2010 on the principle ground that the area was suffering from low demand. At the time it was also recognised that the area also suffered from ASB which, it was felt, was a symptom of low housing demand.

Greater High Cross consists of almost 700 residential properties of which 349 are private rented. Over the years a variety of interventions have been undertaken to

support the area which has included designating the area a Renewal Area in 2007, £3.7m of external improvements to properties and green spaces enhance visual appearance of the area and additional neighbourhood management support.

At the end of the initial 5-year licensing scheme an evaluation of the licensing scheme was undertaken to assess the impact licensing has had on the private rented properties and the neighbourhood. At this time it was determined to renew the scheme for an additional 5 years on the principle ground that the areas continued to suffer from low demand.



## Byker

The Byker Selective Licensing scheme is split in two areas, Byker Old Town adjacent to the Byker Wall Estate and Allendale South towards St Peter's Basin. The area consists of almost 1,500 residential properties of which 522 are privately rented.

When the scheme was first designated the area was suffering from low housing demand with high turnover of tenants, low property prices and high levels of empty properties.

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rented properties and the neighbourhood. At this time it was determined to renew the scheme for an additional 5 years on the principle ground that the areas continued to suffer from low demand.



## Why does the Council think licensing is necessary?

The private rented sector plays a vital role in the Newcastle housing market. It has seen significant growth with the estimated number of private rented properties rising from 14,400 in 2001, to 22,000 in 2011, and to now approximately 52,000 properties. Many of the properties are over 70 years old and it is vital that this housing stock is maintained to a good standard.

With decreasing resources, there are still many challenges faced in the private rented sector including a growing issue with ASB. There is a significant cost to the Council in managing these issues impacting community wellbeing and making these areas unattractive places to live, work and invest.

The re-designation of the Selective licensing scheme on the primary ground of ASB will provide resources to assist in reducing ASB, helping to stabilise and improve local neighbourhoods. It will help provide tenants with a greater choice of safe, good quality and well managed accommodation. Improving the quality of the private rented sector will lead to a better community and cross tenure relations.

The review of the existing schemes has highlighted improvements in low housing demand. The evidence also shows that the licensing schemes have improved housing conditions. We have also seen a reduction of ASB by 72% in High Cross and 46% in Byker Old Town. However, these areas still have levels of ASB higher than the city average, and on par with the licensing schemes designated from April of 2020. It is therefore proposed to re-designate both schemes in order to deliver specific interventions to reduce the high levels of ASB.

Selective Licensing also helps to deliver the Councils wider objectives for Housing and ASB.

### **Housing Statement 2017-2020**

The Housing Statement 2017-20 is the detailed vision for housing in Newcastle, it set out four key priorities;

- \* Make best use of the City's existing housing stock.
- \* Delivering new homes to create greater choice.
- \* Provide advice, support and information to vulnerable people.

- \* Sustainable Economy and Sustainable Communities.

It also set out our proposal to review the Selective Licensing schemes in the city, and to explore if we needed to expand the schemes to other areas of the city. The current and proposed licensing schemes are an important and integral part of the Council's housing strategy, enabling us to adopt a co-ordinated and more effective approach to influence and improve the physical and management standards in the PRS.

### **Safe Newcastle Plan 2020-2023**

The priorities contained within the 2020-2023 plan are:

- \* Reduce the impact of anti-social behaviour
- \* Reduce the harm and impact of drugs & alcohol
- \* Reduce domestic abuse and sexual violence
- \* Reduce hate crime and community tensions
- \* Tackle serious & organised crime
- \* Prevent radicalisation
- \* Recognise and reduce the frequency of adverse childhood experiences and ameliorate their consequences through building resilience

### **Newcastle ASB Strategy**

Safe Newcastle are developing a Newcastle anti-social behaviour Strategy which will set the strategic aim, objectives and direction to be taken by the Safe Newcastle Community Safety Partnership. The strategy will reflect the value that the Safe Newcastle Partnership adds to individual

partners' activities and provide a framework for partners to continue to work together achieving long-term sustainable solutions to ASB behaviour in Newcastle.

The Safe Newcastle Partnership will seek to promote positive outcomes by joint working between local partners to prevent and respond to anti-social behaviour in Newcastle. For this reason, our strategy will be structured across four pillars:

- \* Prevention
- \* Integration
- \* Engagement
- \* Communication

The strategy will seek to create a balanced approach, which recognises the role of appropriate enforcement action, but which has a primary focus on prevention and early intervention to address the root causes of anti-social behaviour.

## Newcastle Private Sector Housing Enforcement Policy

Our Objectives

- \* To strive to ensure that tenants of a private landlord or a Registered Social Landlord (RSL) live in homes free of significant risks to their health and safety.
- \* All Houses in Multiple Occupation (HMO's) and Selective Licensed properties are safe, licensed where required and all licensing conditions are met.
- \* Empty homes are not left empty where there is blight and a need for housing.

- \* Privately owned property and land does not present a statutory nuisance to other landowners or does not directly or indirectly present an unacceptable risk to public health, safety or the environment.
- \* We meet our statutory duties as a local housing authority.

## Private Rented Interventions

The Council provides a range of services that support the objectives of the proposed licensing scheme.

### Enforcement

Over 730 complaints are received each year in relation to disrepair, ASB, and noise across the two proposed licensing areas.

### Private Rented Service

A one-stop shop for assistance to tenancy management for both landlord and tenants. Providing tenant referencing and support and training to landlords.

### Newcastle Private Housing Accreditation Scheme

A free and voluntary property quality mark for good management practices, tenant management and maintaining good property conditions.

### Empty homes Assistance

Grant funding to help bring a long-term empty property back into use, reducing the number of problematic empties attracting ASB

## What evidence is there to support the proposal?

The Housing Act 2004 sets out the conditions an area must meet for Selective licensing to be implemented. The Local Authority must be satisfied that one of the following issues are present, and that licensing will help to improve the issue:

- \* Low demand
- \* Significant or persistent problems caused by ASB
- \* Poor housing conditions
- \* Significant number of properties occupied by migrants
- \* High levels of deprivation
- \* High Levels of crime

The proposed licensing designation is based principally on the grounds of ASB, although it will also improve other factors.

In deciding if an area suffers from ASB, it is recommended that local housing authorities consider whether:

- \* private landlords are managing their properties to combat incidences of ASB
- \* failure to manage ASB contributes or leads to ASB in an area

Three categories of ASB have been reviewed: General ASB, Litter, and noise

### Greater High Cross

#### General ASB

Over the last five years data from Northumbria police shows 544 ASB incidents in the proposed licensing area. This is

- \* 84% higher than the complaint rate in Licensing Areas designated in 2020.
- \* 200% higher than areas of the city not covered by Selective licensing

#### Litter

Over the last five years over data from Newcastle Environmental Health Teams shows 80 litter complaints in the proposed licensing area. This is

- \* 73% higher than the compliant rate in Licensing Areas designated in 2020.
- \* 84% higher than areas of the city not covered by Selective licensing

#### Noise

Over the last five years over data from Newcastle Environmental Health Teams shows 106 Noise complaints in the proposed licensing area. This is

- \* 29% higher than the compliant rate in Licensing Areas designated in 2020.
- \* 212% higher than areas of the city not covered by Selective licensing

### Byker

#### General ASB

Over the last five years over data from Northumbria police shows 934 ASB incidents in the proposed licensing area. This is

- \* 51% higher than the complaint rate in Licensing Areas designated in 2020.
- \* 126% higher than areas of the city not covered by Selective licensing

#### Litter

Over the last five years over data from Newcastle Environmental Health Teams shows 120 litter complaints in the proposed licensing area. This is



- \* 24% higher than the compliant rate in Licensing Areas designated in 2020.
- \* 32% higher than areas of the city not covered by Selective licensing

### Noise

Over the last five years over data from Newcastle Environmental Health Teams shows 195 Noise complaints in the proposed licensing area. This is

- \* 13% higher than the compliant rate in Licensing Areas designated in 2020.
- \* 175% higher than areas of the city not covered by Selective licensing

### How will the scheme operate?

There is a new digital solution for the current licence application process called MetaStreet. This has been well received by landlords. This allows landlords an efficient, reliable system onto which applications and licence documentation can be uploaded and stored.

Licensing of the private rented sector is not an end in itself; robust education, support and enforcement action is essential. Intelligence led enforcement will ensure resources are targeted on criminal and non-compliant landlords, with a 'light touch' for compliant landlords.

There will be 4 teams working together to deliver the property licensing schemes

- \* **Application Team** to process and determine the applications.
- \* **Compliance Team** to audit properties and ensure compliance.
- \* **Enforcement Team** to deliver a robust, intelligence led enforcement regime

working with partners such as the police, and HMRC immigration enforcement.

- \* **Support Team** will include Tenant Support, landlord support, Legal, IT and debt recovery officers.

### What are the licensing conditions?

The proposed conditions have been written to address ASB. The conditions aim to establish clear property and management standards.

The conditions can be viewed at <https://www.letstalknewcastle.co.uk/consultations/info/331>

### How much does a licence cost?

Local Authorities must set the licence fee to ensure that schemes are self-financing and cover the costs of administration, training and development, and enforcement costs.

The exact licence fee cannot be determined until consultation has been completed and the details of the scheme are confirmed. It is however estimated that a Selective Licence will cost £650. The fee will be split into 2 parts. The first part payable at the time of application, and the second part to be paid once the licence has been granted.

A licence can be issued for up to 5-years. Landlords who apply for a licence and comply with the law will be issued a full licence. Landlords who fail to apply or have a history of non-compliance will be issued

a 1-year licence. This will ensure non-complaint landlords are closely regulated.

## How can I have my say?

The formal consultation process starts on Monday 9<sup>th</sup> November 2020 and lasts for 12 weeks, ending on Sunday 31<sup>st</sup> January 2021.

During this time an online consultation survey will be available online via <https://www.letstalknewcastle.co.uk/consultations/info/331>

Due to Social Distancing requirements drop-in consultation sessions will not take place but online consultation sessions will be available via Microsoft Teams. Follow this link to access the event.

- \* [Wednesday 18<sup>th</sup> November 2020 4pm to 5pm.](#)
- \* [Monday 11<sup>th</sup> January 2021 12pm to 1pm.](#)

You do not need a log in or access codes to join the event. A video of the event will be available afterwards if you are unable to attend at either time. Please feel free to email any questions prior to the event to [LicensingConsultation@newcastle.gov.uk](mailto:LicensingConsultation@newcastle.gov.uk)

A printed copy of the survey and FAQs can also be made available upon request from the civic centre, prior notice will be required. If you have any additional comments or questions email [LicensingConsultation@newcastle.gov.uk](mailto:LicensingConsultation@newcastle.gov.uk)

Further information on the scheme and answers to frequently asked questions can be found at

<https://www.letstalknewcastle.co.uk/consultations/info/331>

## What Happens Next?

Consultation closes on Sunday 31<sup>st</sup> January 2021. At this point the responses will be analysed, and a report produced to communicate the views and opinions gathered. Three options are then available to the Council:

- \* To not designate any further property licensing schemes at this time.
- \* To designate a property licensing scheme in Newcastle, but with variations to that originally proposed in this document
- \* To designate the property licensing scheme as detailed in this document.

The final decision will be made by Newcastle City Council Cabinet.

Anyone who has taken part in the consultation and provided an email address will be updated on the final decision.

Updates will also be made online <https://www.letstalknewcastle.co.uk/consultations/info/331> and social media pages.

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