

## **Discretionary Licensing (Additional and Selective) in the Private Rented Sector**



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## **Overview**

- a) What is Discretionary Licensing**
- b) The who and how of the Formal Consultation**
- c) The Business Case and evidence**
- d) The proposals for Discretionary Licensing**
- e) The Consultation Platform**
- f) Questions and Close**

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## Discretionary Licensing

**Our Ambition** is to ensure the Private Rented Sector (PRS) in Leicester is fit for purpose and a key part of that is that standards are raised in the sector.

Discretionary Licensing can help through having standard conditions.

### Two forms of Discretionary Licensing

- **Selective Licensing gives local authorities the power to introduce, in a given area licensing for all tenures in the PRS** (exemptions include: holiday lets, business premises, student premises where the university is the landlord/manager and premises where the tenant is a family member Housing Associations and Council Housing).
- **Additional Licensing** requires Houses in Multiple Occupation (HMOs) that have **three or more** unrelated tenants that **share facilities** such as kitchens and bathrooms, to have a licence.

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## Current Action Taken to Raise Standards in the PRS.....

### **Mandatory Licensing**

- proactively identifying and ensuring that unlicensed HMOs are licenced (86 properties have been identified and licences obtained since December 2020).
- 56 Civil penalties issued for non-licenced properties

### **Rogue Landlord Enforcement**

- During 2021, legal action taken - 74 Emergency Prohibition Notices have been served and 104 electrical safety issues identified.

### **Overcrowding Assessments**

- 195 overcrowding assessments have been carried out during 2021

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## Formal Consultation

A formal public consultation for a minimum of ten weeks is required for both **Selective and Additional Licensing**. We are undertaking 12 Weeks consultation 30<sup>th</sup> November 2021 – 22<sup>nd</sup> February 2022

### Selective Licensing

- Part 3, Section 80 (9) of the Housing Act 2004 states that when considering designating an area the local housing authority **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.

### Additional Licensing

Part 2, Section 80 (9) of the Housing Act 2004 allows for Additional Licensing of HMOs for example in a particular area or whole Borough for those not covered by Mandatory Licensing.

The local housing authority 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.
- **The proposal would be to consult (through a range of mechanisms) on the schemes as described.**

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## Consultation Methods

- Website – Consultation Platform  
<https://consultations.leicester.gov.uk/comms/landlord-licensing>  
If you have not completed the survey please make sure you do!
- Press Releases
- Posters to Community Centres and Libraries
- Social Media
- Direct Mailout to All Residents
- Direct Email to Letting Agents/ Managing Agents / Landlords
- Direct Email to all Businesses across Leicester
- Direct Mailout to key partners such as Police, Leicestershire Fire and Rescue
- Direct Mailout to Universities (Leicester and DMU)
- Direct Mailout to Voluntary and Community Sector Organisations
- Ward Meetings
- Landlord and Managing Agents Forums

**PLEASE LET US KNOW ANY METHODS YOU FEEL WILL HELP US REACH PEOPLE WITH THE PROPOSED DISCRETIONARY LICENSING CONSULTATION.**

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## Consultees

- Residents – 110,745 letter sent out 17/12/21
- Landlords – Contact through Estate and Letting agents and Landlord Associations
- Universities and Student Union
- ARLA (Residents Landlords Association)
- East Midlands Property Owners (EMPO)
- National Landlords Associations
- Residential Landlords Association and Training for Landlords
- Elected Members
- All Faith Groups – 204 Emails and Gujarati translations passed on to 1600 members
- Letters to MPs - 3 emailed
- Letting Agencies and Estate Agents – 123 organisations
- Members of the public
- Neighbouring Local Authorities – 9 Authorities
- Businesses across Leicester – Email to 3,654 business operators
- All Council Staff
- VCS Organisations e.g. Citizens Advice

**PLEASE LET US KNOW ANY CONTACTS OR PEOPLE/ORGANISATIONS YOU THINK WE MUST CONSULT WITH.**

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## Business Case includes....

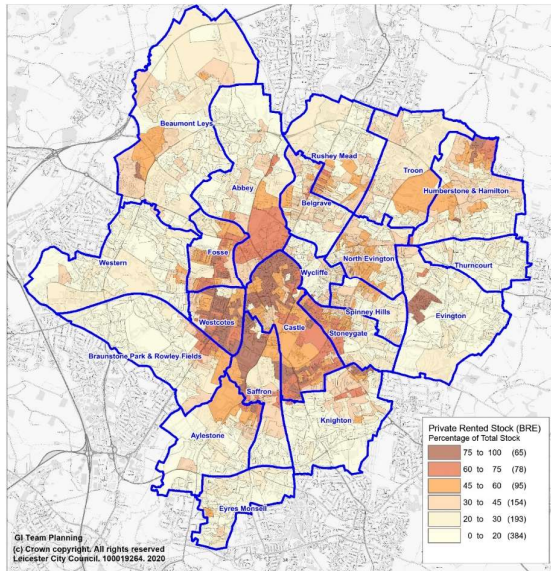
- Mandatory and Discretionary Licensing (Additional and Selective)
- Supporting Information – National and Local Picture
- Local Strategic Context – PRS Strategy other Strategic Documents
- Evidence Base
  - Performance of Leicester's PRS in comparison with others
  - PRS Housing Condition Report
  - PRS / HMO Density
  - PRS/ HMO Locations – other factors eg Article 4 Direction
  - Property Conditions
- Proposed Schemes (Options A, B and C)
- Other Options – Linked to PRS Strategy
- Benefits, Risks and Mitigating Action
- Impact of Licensing
- Licensing Process
- Proposed Conditions
- Proposed Fees
- Conclusion
- Appendices – Include the PRS Housing Conditions Report, Streets by Option.

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### Evidence Base for Discretionary Licensing (Selective and Additional) Schemes

#### Private Rented - Percentage of All Stock by Census Output Area



This map shows large parts of the City where the percentage of Private Rented properties (BRE modelled data) is above the national average (19%). **There are particularly high concentrations over 75% in Westcotes, Castle, Fosse, Saffron, Stonegate and pockets of high concentrations on the edge of Braunstone Park and Rowley Fields and Hamilton.**

There are also a couple of outliers near in Beaumont Leys and Evington near the Glenfield and General Hospitals with staff accommodation.

**NB: The data source used for the mapping of private rented dwellings and Houses in Multiple Occupation (HMOs) across the city is the BRE Integrated Dwelling Level Housing Stock Modelling Report and Database for Leicester City Council (Sept 2020). The BRE Housing Stock Model data and the BRE report and database provides a modelled data set to estimate the location and concentration of HMOs and private rented dwellings by area for Leicester city.**

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### Housing Condition and Anti-Social Behaviour Across the City and By Tenure Type

Using data from the Council's case management system (Uniform) it is clear that issues with condition and antisocial behaviour vary between different tenure types, Private Rented and HMOs (BRE Modelled Data) and across different areas of the city.

**Table 1: Cases against Dwellings by Tenure type across the City**

Tenure	Total Dwellings	All Housing Complaints		Noise		Housing Condition		Public Health		Fly Tipping	
		%	Number	%	Number	%	Number	%	Number	%	Number
All Stock	142261	7.3%	10641	2.9%	4095	1.4%	2046	1.5%	2197	2.2%	3065
All Priv Rented	49501	10.8%	5356	3.8%	1870	3.1%	1524	1.7%	837	3.6%	1771
HMOs – (BRE modelled data)	9649	17.0%	1640	6.6%	639	4.3%	419	2.6%	247	6.3%	607
Priv Rented – Non HMOs	39852	9.3%	3716	3.1%	1231	2.8%	1105	1.5%	590	2.9%	1164

\* Number and percentages relate to the number of dwellings that have cases in these categories against them

Case data was analysed for complaints and issues relating to dwellings since January 2017 - 2020 for the following categories:

- Noise nuisance
- Housing condition - including housing defects, overcrowding, fire safety concerns, defective gas appliances, excess cold, damp),
- Public health – including defective drains, pests, filthy and verminous premises, rubbish accumulation, other public health nuisance.
- fly-tipping

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### Cases – Housing Condition, Public Health and Antisocial Behaviour (fly tipping and noise)

The wards where complaints are highest for both Private Rented in general and HMOs (BRE Modelled Data) in particular are Fosse, Westcotes, Stoneygate and Braunstone Park & Rowley Fields. Whilst Castle has a very high proportion of Private Rented dwellings, issues are much lower as a percentage (for example at 6.9% compared to 20.5% for Fosse) in this area. Castle in general has a large amount of modern purpose built flats in the city centre although it does have some older stock further out of the centre. This is based on data for the whole ward and does not go into as much detail as the smaller LSOAs

**Table 2: Dwellings with Complaints/issues by Tenure type and Ward across the City**

Ward_Name	Total Dwellings	Total Private Rented	% PR of all Stock	Private Rented with complaints	% of PR with complaints	Total HMOs	HMOs with complaints	% of HMOs with complaints
Abbey	9501	2616	27.5%	197	7.5%	423	59	13.9%
Aylestone	5326	1526	28.7%	129	8.5%	187	12	6.4%
Beaumont Leys	7318	1694	23.1%	110	6.5%	261	19	7.3%
Belgrave	6321	1916	30.3%	172	9.0%	329	35	10.6%
Braunstone Park & Rowley Fields	8092	1924	23.8%	342	17.8%	567	135	23.8%
Castle	13975	9004	64.4%	623	6.9%	1481	162	10.9%
Evington	6450	1381	21.4%	108	7.8%	225	25	11.1%
Eyres Mansell	4895	959	19.6%	76	7.9%	108	8	7.4%
Fosse	6551	3350	51.1%	688	20.5%	845	218	25.8%
Humberstone & Hamilton	7344	2396	32.6%	161	6.7%	204	15	7.4%
Knighpton	6986	1679	24.0%	101	6.0%	327	30	9.2%
North Evington	6574	2257	34.3%	264	11.7%	327	41	12.5%
Rushey Mead	5737	1881	32.8%	168	8.9%	258	27	10.5%
Saffron	6007	2821	47.0%	284	10.1%	749	119	15.9%
Spinney Hills	3781	1280	33.9%	130	10.2%	154	16	10.4%
Stoneygate	7303	3183	43.6%	486	15.3%	1020	215	21.1%
Thurncourt	4419	703	15.9%	54	7.7%	89	8	9.0%
Troon	5176	1370	26.5%	126	9.2%	190	19	10.0%
Westcotes	7719	5308	68.8%	913	17.2%	1526	440	28.8%
Western	8179	1378	16.8%	130	9.4%	236	17	7.2%
Wycliffe	4598	875	19.0%	94	10.7%	143	20	14.0%
Total	142252	49501		5356	10.8%	9649	1640	17.0%

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## Options

### Option A:

Selective Licensing within parts of the wards of Westcotes, Fosse, Saffron, Braunstone Park & Rowley Fields & Stoneygate.

### Option B:

Additional Licensing that covers the entire City (Citywide),

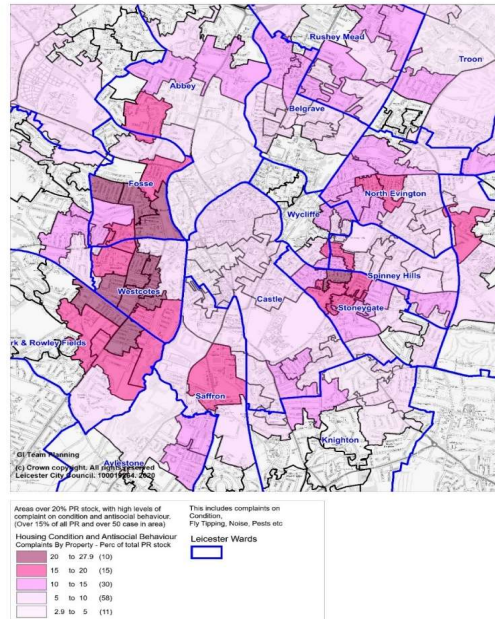
### Option C:

Additional Licensing covering parts of the wards of Westcotes, Fosse, Braunstone Park & Rowley Fields and Stoneygate

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### General : Private Rented Properties, Poor Housing Conditions and ASB

Map Showing High Percentage of Private Rented Properties  
High levels of poor housing condition and antisocial behaviour



**Analysis of issues relating to housing condition and anti-social behaviour – mapped across the city focusing on Private Rented Dwellings.**

The map shows concentrations of complaints and issues relating to properties in the private rented sector for property condition and antisocial behaviour (fly tipping, noise). Analysed for areas with over 20% private rented dwellings.

The highest concentrations of issues (see Table 2) are shown in areas of

- Westcotes,
- Fosse,
- Braunstone Park & Rowley Fields
- Stoneygate.

However analysis at this finer level of detail (Lower Super Output Area) shows that the spread is not even across the whole of the wards.

The map shows a few areas with slightly lower levels of issues in other parts of the city such North Evington and Abbey but not to the same extent as the wards listed above.

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### Option A: Selective Licensing – Suggested Scheme

Area bounded by light blue line - Estimated number of Private Rented Dwellings in the area – 8,275

LSOAs selected include those with the highest proportion of cases per total number of PR properties PLUS with an overall high level of cases (more than 50 in the area)

Map Showing LSOA areas with a High Percentage of Private Rented Properties  
Levels of housing condition and antisocial behaviour By LSOA

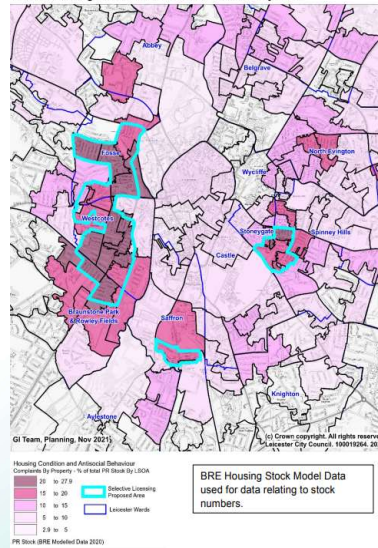


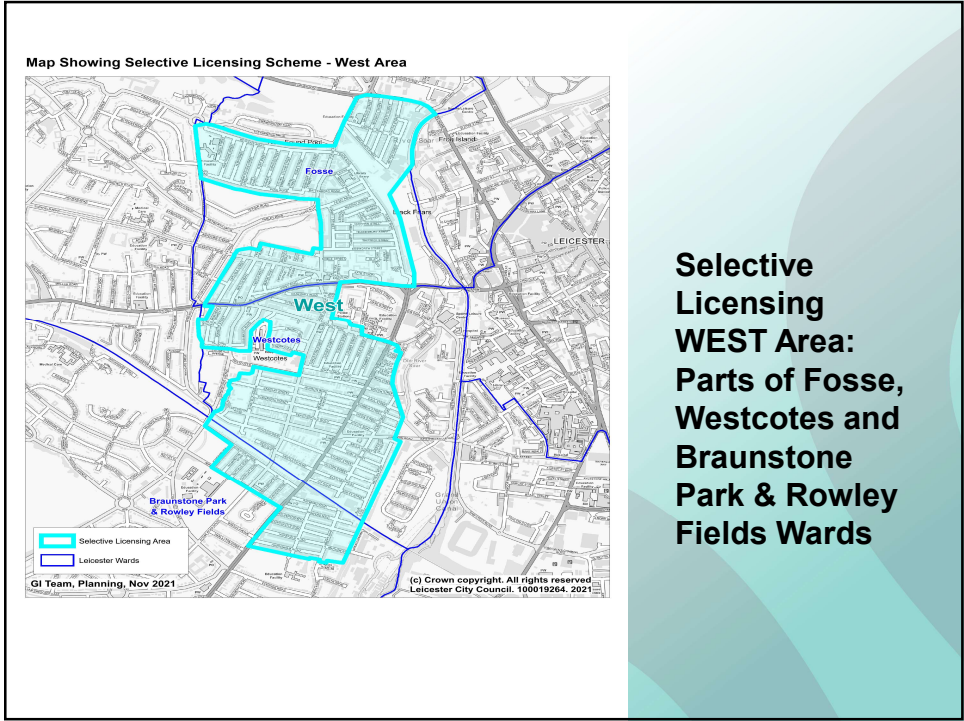
Table 3: LSOAs in Selective Licensing Scheme - Complaints/Issues by Tenure type and LSOA

Ward	LSOA	Total Dwellings	Private Rented*	% PR HMOs*	% HMO of All	Num Cases PR	% Cases PR	Num Cases HMO	% Cases HMO	
Saffron	Leicester 031D	943	420	44.5	66	7.0	75	17.9	17	25.8
Fosse	Leicester 016A	851	528	62.0	157	18.4	92	17.4	37	23.6
Fosse	Leicester 016B	828	461	55.7	102	12.3	95	20.6	24	23.5
Fosse	Leicester 016C	1057	700	66.2	164	15.5	149	21.3	50	30.5
Fosse	Leicester 016D	1215	658	54.2	163	13.4	183	27.8	49	30.1
Stoneygate	Leicester 022E	622	226	36.3	32	5.1	52	23.0	5	15.6
Westcotes	Leicester 023A	798	656	82.2	273	34.2	170	25.9	93	34.1
Westcotes	Leicester 023B	760	631	83.0	281	37.0	128	20.3	72	25.6
Westcotes	Leicester 023D	966	761	78.8	245	25.4	165	21.7	82	33.5
Westcotes	Leicester 023E	744	532	71.5	282	37.9	102	19.2	63	22.3
Westcotes	Leicester 023F	716	365	51.0	77	10.8	63	17.3	16	20.8
Westcotes	Leicester 023G	550	318	57.8	197	35.8	73	23.0	51	25.9
Stoneygate	Leicester 027D	1023	565	55.2	191	18.7	96	17.0	54	28.3
Stoneygate	Leicester 027F	593	355	59.9	201	33.9	67	18.9	38	18.9
BP & RF	Leicester 028E	636	342	53.8	185	29.1	78	22.8	48	25.9
Westcotes	Leicester 029C	1803	1297	71.9	260	14.4	204	15.7	84	32.3
BP & RF	Leicester 029D	810	515	63.6	159	19.6	123	23.9	50	31.4
Saffron	Leicester 031D	943	420	44.5	66	7.0	75	17.9	17	25.8

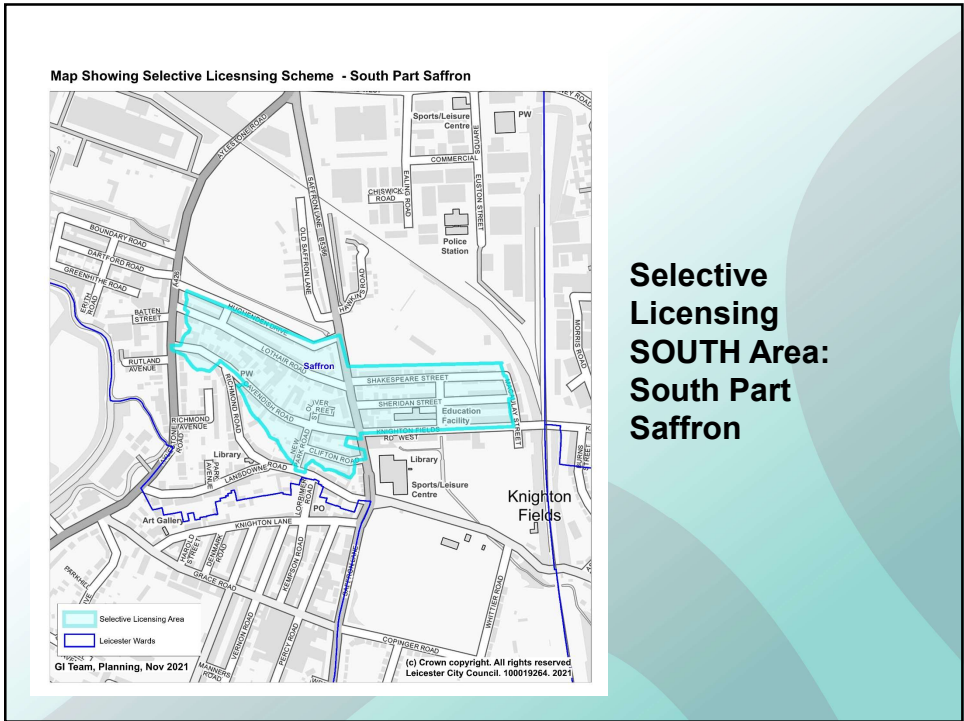
The boundary largely follows LSOA boundaries but altered in a few areas to follow more logical boundaries according to local knowledge. Eg large modern development excluded in Western as unlikely to have property condition issues.

Boundaries of 31D and 29C modified to exclude large very modern developments

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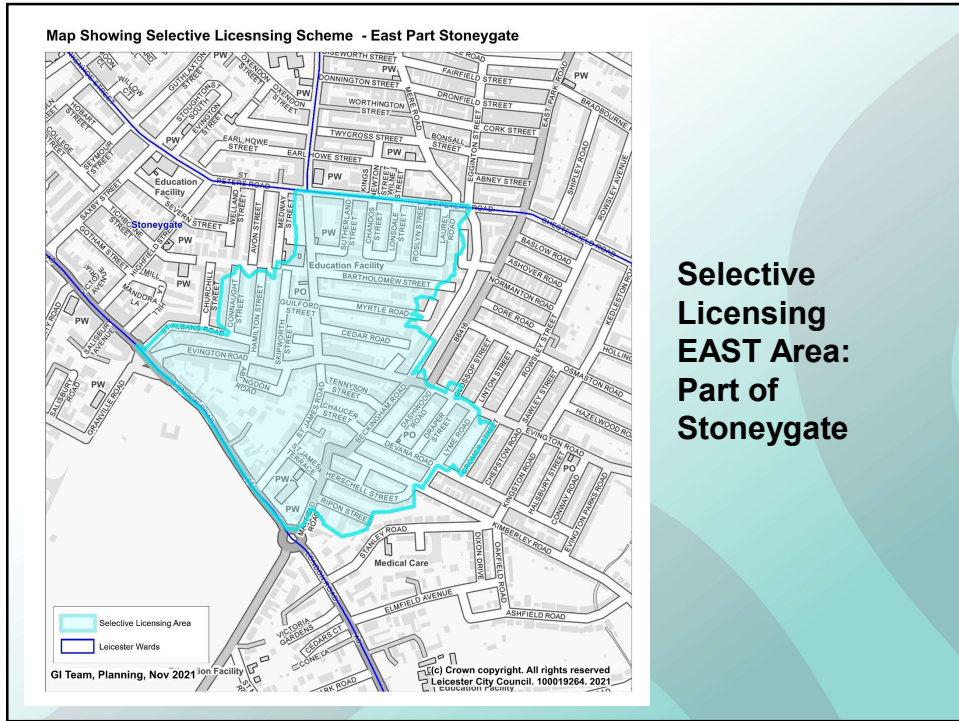


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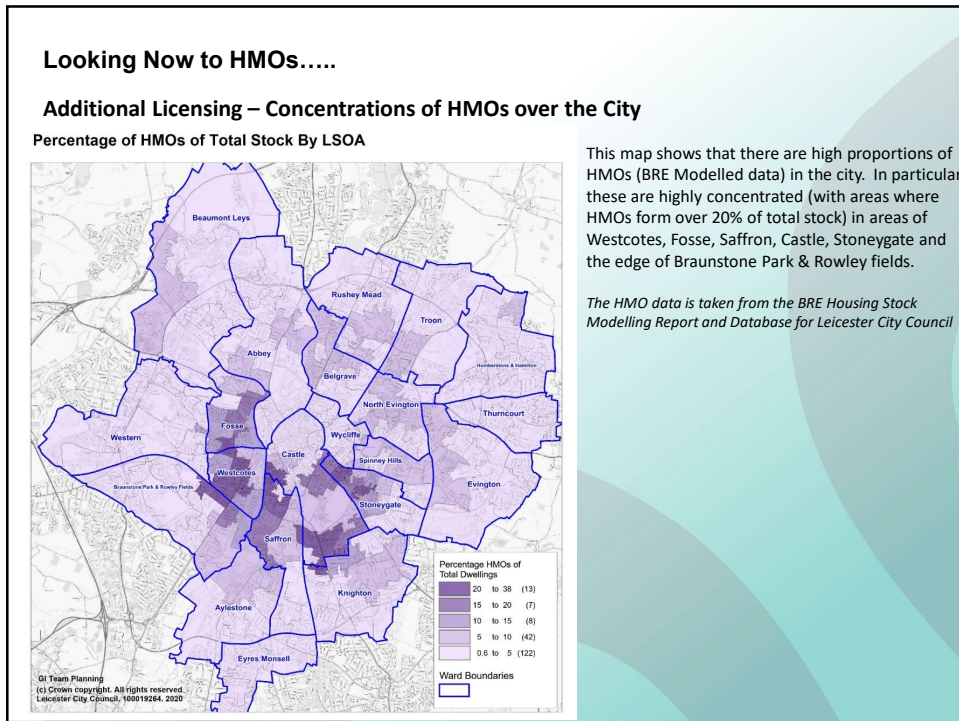


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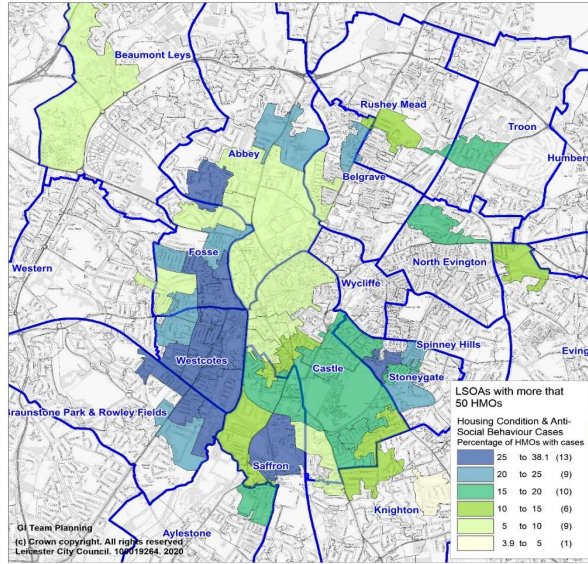
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**TC1**    Number in Brackets LSOA per area identified  
Tony Cawthorne, 20/01/2022

**Option B: Additional Licensing – Citywide**  
**Analysis of HMOs – areas with highest concentration of issues**

Housing Condition & ASB for HMOs By LSOA - Percentage of Cases out of Total



Map showing concentrations of cases against HMOs housing condition and ASB (noise and fly-tipping) as proportion of the total number of HMOs in the Area.

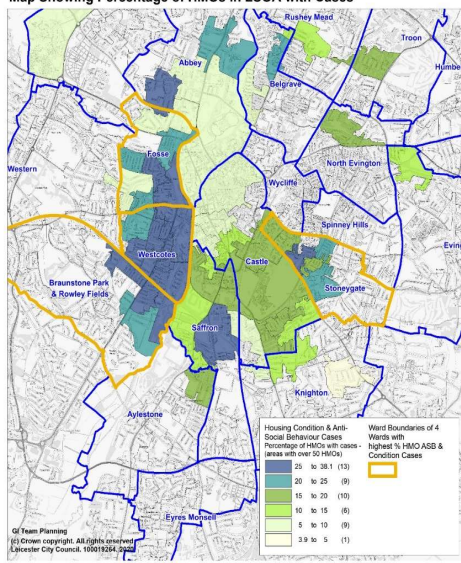
Highest concentrations of issues in areas of – Westcotes, Fosse, Braunstone Park & Rowley Fields (bordering Westcotes) and Stonegate. In addition there are smaller areas of high concentrations in Saffron and Abbey and medium levels in Castle and some other pockets in Belgrave, Troon, North Evington, Aylestone, Evington and Rushey Mead etc.

These show similar areas to the analysis across the whole of the PR sector (as these include the HMOs) with the exception of the smaller concentrations in Abbey and Belgrave being more noticeable. These may relate to the new developments in these areas. Not traditionally areas of housing problems but maybe the HMOs causing problems with neighbours.

**A Third Option....**

**Option C: Additional Licensing (HMOs) – 4 Ward Reduced Boundaries Scheme (Bottom Right)**

Housing Condition & ASB Cases Related to HMOs  
 Map Showing Percentage of HMOs in LSOA with Cases

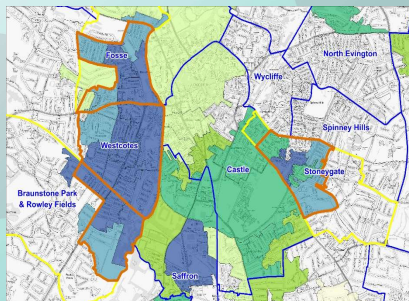


Four Wards with highest concentrations of issues with HMOs Highlighted (Areas bounded by Gold Lines)

- Wards with the highest rates of issues / complaints relating to HMOs
- Westcotes – 28%
  - Fosse – 25.8%
  - Braunstone Park & Rowley Fields – 23.8%
  - Stonegate – 21.1%

So for example 28% of HMOs in Westcotes have had a case logged on that property since 2017 -2020

Reduced areas within the 4 wards (Bronze Boundaries) reflecting the areas with the most issues with HMOs



# Thank You

Any other views or comments?  
Please do not forget to complete the survey  
at

<https://consultations.leicester.gov.uk/comms/landlord-licensing/>