



Discretionary Licensing **Consultation** **Findings/Evaluation**

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1. Executive Summary

- 1.1 This report will supplement the full report to be presented to Full Council on the findings and outcomes of the consultation as outlined in the business case for Discretionary Licensing. Members will be required to determine whether to adopt any scheme or schemes at Full Council on the 7 July 2022.
- 1.2 Leicester city council's intention to introduce discretionary licensing proposals were considered by consulting, all those, who would be potentially affected if discretionary licensing was to be introduced. This involves following Government guidance where a consultation period is required by legislation of a minimum of 10 weeks. During this time, the council is required to share a full business case with evidence of need and then agree a suggested way forward with recommendations and options.
- 1.3 With the above in mind, Leicester's consultation ran from 30 November 2021 to 22 February 2022; due to Christmas falling within the consultation period, it was agreed that an additional 2 weeks would be added to the 10 weeks to allow respondents to engage in the consultation.
- 1.4 The consultation resulted in the completion of 1120 on-line questionnaires being completed and 201 correspondences directly received from tenants, landlords and stakeholders.
- 1.5 The following options were proposed either as options on their own (standalone options) or as a combination (as appropriate): -
 - **Option A:** selective licensing within areas of the city identified as:
 - parts of the Stoneygate Ward (East Cluster)
 - parts of the Saffron Ward (South Cluster)
 - parts of Westcotes, Fosse, Braunstone Park & Rowley Fields Wards (West Cluster).

The Selective Licensing areas covers less than 20% of Leicester's geographical area and less than 20% of privately rented homes in the local authority area

 - **Option B:** Additional Licensing that covers the entire City (citywide),
 - **Option C:** Additional Licensing within parts of the Wards of Westcotes, Fosse, Braunstone Park & Rowley Fields and Stoneygate.
- 1.6 The proposed scheme/s will support a balanced housing market which in turn will support social and economic improvements in the City of Leicester and improve the standards of property management and address problems affecting residents either living in Private Rented Sector properties (except where exemptions apply) through the application of

Selective Licensing or via Additional Licensing, those living in properties that are HMOs (outside of Mandatory Licensing as defined by the Housing Act 2004).

1.7 The consultation evidence contained within this report supports the following conditions for Licensing are met: -

- i. As can be seen below, there was overwhelming support from residents and tenants for selective licensing, with some significant opposition from landlords.
 - a. Analysis of the responses for selective licensing in the part of Stoneygate Ward with the Leicester residents indicating that 74% support the scheme and 59 % of tenants. Although 67% of landlords opposed the scheme in the Stoneygate ward (East Cluster) a sizeable minority 18% of private landlords supported the scheme.
 - b. Analysis of the responses for parts of Westcotes, Fosse, Braunstone Park & Rowley Fields Ward (West Cluster) with the Leicester residents indicating that 81% support the scheme and 64 % of tenants. Although 64% of landlords opposed the scheme a sizeable minority 20% of private landlords supported the scheme
 - c. Analysis of the responses for parts of Saffron Ward (South Cluster) with the Leicester residents indicating that 74% support the scheme and 59% of tenants. Although 60% of landlords opposed the scheme a sizeable minority 19% of private landlords supported the scheme.

From the consultation, key information was gathered. The preferred options of Leicester residents indicated support of 38% of respondents for a citywide Selective Licensing scheme. Private tenants' respondents indicated support of 36% for citywide Selective Licensing. Whilst 32% of private landlord respondents supported targeted Selective Licensing.

However, the citywide selective licensing is not a viable option as it does not meet the test for declaration as set out in the business case and was not one of the proposals for consideration as there is insufficient evidence to support the expansion of the proposals from the designated areas.

The preferred options of Leicester residents indicated support of 38% of respondents for Additional Licensing citywide. Private tenants' respondents indicated support of 35% for Additional Licensing citywide. Whilst 35% of private landlord respondents support targeted Additional Licensing within the designated areas.

- ii. Analysis of the responses for Additional Licensing within Leicester for both the Citywide and the designated areas options indicated that 69% residents and 53% of tenants supported the scheme Citywide. Although 43% of landlords opposed the scheme a sizeable minority 21% of private landlords supported the citywide scheme. In terms of the designated areas this was not generally supported due to the selection of the citywide option being significant, although private landlords supported some form of Additional Licensing in overall supported by 40% of private landlord respondents compared to the 43% of private landlord respondents opposed to the imposition of additional licensing being brought in.
- iii. The designation will become operative following a minimum period of three months' notice.
- iv. The designation/s will last for five years in accordance with the legislation.

2. Recommendation

- i. Option A.- Selective Licensing is supported and should be adopted within the designated areas and should be brought in as soon as practical due to the acute issues identified in the areas in the business case.
- ii. Option B - Additional Licensing city wide is supported and will be further consulted on following the effects of the Article 4 directive extension have been in operation and evaluated.
- iii. Option C additional Licensing designated areas. There was no support for the scheme and therefore no further action should be taken
- iv. The proposed discounts identified in section 7.4 are agreed

3. Background

- 3.1 The Discretionary Licensing consultation, investigated the value of introducing options for Discretionary Licensing in the City of Leicester. Discretionary licensing, which is permissible under the Housing Act 2004 falls into two forms of licensing: either Selective Licensing, which requires all privately rented property in a designated area to have a licence from the Council, except for a number of exemptions or Additional Licensing, which requires Houses in Multiple Occupation (HMOs) in a designated area to have a licence where they are shared by three to four tenants living in two or more households who share facilities such as kitchens and bathrooms.
- 3.2 The following options were considered either as options on their own (standalone options) or as a combination (as appropriate): -
- 3.3 Option A: selective licensing within areas of the city identified as:
 - Parts of the Stoneygate Ward (East Cluster)

- Parts of the Saffron Ward (South Cluster) and
- Parts of Westcotes, Fosse, Braunstone Park & Rowley Fields Wards (West Cluster). Covering less than 20% of Leicester’s geographical area and less than 20% of privately rented homes in the local authority area.

3.4 Option B: Additional Licensing that covers the entire City (citywide),

3.5 Option C: Additional Licensing within parts of the Wards of Westcotes, Fosse, Braunstone Park & Rowley Fields and Stoneygate.

3.6 This report presents the findings of the consultation and gives the case for the options which have been identified as potentially suitable for the schemes.

3.7 The proposed scheme/s will support a balanced housing market which in turn will support social and economic improvements in the City of Leicester. Housing plays a fundamental role in delivering sustainable communities, facilitating social and environmental improvement, and promoting economic growth.

3.8 This document explains the evidence on the basis of which the authority considers the statutory conditions for Selective Licensing and Additional Licensing Schemes following the consultation process and provides evidence that the options proposed would improve the standards of property management and address problems affecting residents either living in Private Rented Sector properties (except where exemptions apply) through the application of Selective Licensing or via Additional Licensing, those living in properties that are HMOs (outside of Mandatory Licensing as defined by the Housing Act 2004).

3.9 The requirements to declare Discretionary Licensing are set in legislation and must provide evidence to support the cases: -

Selective Licensing – The council must demonstrate that an area is experiencing one or more of the following issues.

- significant and persistent problems with Anti-Social Behaviour (ASB),
- high levels of deprivation,
- poor property conditions,
- high levels of crime.
- high levels of migration,
- low housing demand (or it is likely to become such an area),

Additional Licensing – The council must show that a significant proportion of HMOs in the area are being;

- managed sufficiently ineffectively as to give rise, or likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public.

- 3.10 Ongoing pressures within the housing market mean that for many, including a rising proportion of families, the only chance of a decent home is in a properly managed and well-regulated HMO or other private rented tenancy.
- 3.11 The Mandatory Licensing of larger HMOs in Leicester has been an effective tool in regulating and improving the standard of accommodation offered to let within this sector.
- 3.12 Licensing has encouraged a positive interaction with landlords and allowed for any problems presented by each house to be managed on an individual basis through a bespoke set of licence conditions. Discretionary Licensing, we believe extends the positive effects of improved property management and standards brought about by Mandatory Licensing and allow the benefits to be available more widely.
- 3.13 Should the Councils decision be to proceed on 7 July 2022, formal notification to the residents and landlords through the service of notice in the papers is required and all correspondents during the consultation are required to be contacted as appropriate to advise on the outcome of the Councils decision.
- 3.14 The designation will become operative following a minimum period of three months' notice.
- 3.15 The designation/s will last for five years from the date contained in the decision notice in accordance with the legislation.
- 3.16 It is a criminal offence to let a property in an area designated for Selective Licensing or in terms of an area designated for Additional Licensing to let a House in Multiple Occupation (as defined under an Additional Licensing Scheme) without a licence. Failure to apply for a licence could lead to prosecution and the offence is punishable by an unlimited fine. Alternatively, a Civil Penalty may be issued with a maximum penalty up to £30,000.

4. The Need for Discretionary Licensing

- 4.1 Access to decent affordable housing is essential to support good health and wellbeing and a good quality of life. Overall, housing standards in Leicester are high - the physical condition of the City's housing stock is generally good across all sectors and energy efficiency levels are above the national average.
- 4.2 However, this overall positive picture masks disparities both between and within sectors that give rise to some concern. Overall, we find some of the worst conditions within the Private Rented Sector (PRS), which includes a significant proportion of Houses in Multiple Occupation (HMO). Further information on the condition of property in Leicester's Private Rented Sector can be found in a BRE Housing Stock Model and Integrated Data Report commissioned by Leicester City Council in 2019.
- 4.3 In areas where there is a predominance of Private Rented Sector housing that is being poorly managed by certain landlords, a number of community issues can emerge that

lead to the decline or feeling of decline within an area. Such decline can be seen physically and reflected in the movement of people into and out of an area, these issues do not encourage a sense of well-being and belonging within communities.

- 4.4 The types of issues that impact on communities from poorly managed private rented stock include fly tipping, issues regarding bins being left on streets, noise nuisance, unkempt and filthy gardens leading to potential vermin infestations and other types of Anti-Social Behaviour. Not only do these matters relate to environmental health concerns they also have an interplay with how people view and feel about the area they live in.
- 4.5 Such environments may show a high churn in tenancies and therefore provide a reduced chance for a sense of community that builds community cohesion amongst its residents. Conversely well managed Private Rented Sector properties can provide an attractive residence that adds value to areas and encourages behaviours that sustain peoples interest and desire to stay, invest and raise their families within an area.
- 4.6 Actions to improve the standard of Private Rented Sector housing within an area, can encourage sustainable communities to thrive for the betterment of the overall locality and its surrounding environs. Local authorities have an obligation under the Housing Act 2004 to keep housing conditions in their area under review. This includes all tenures of housing, not just stock that may be owned by the local authority.
- 4.7 Leicester City Council has developed a number of policies and strategies to further its overall approach to property conditions and improvements generally in the Private Rented Sector. In particular, the Council has produced a Private Rented Sector Strategy.
- 4.8 Councils have an obligation to enforce statutory minimum standards in housing. These enforcement powers requires the occupiers consent, while further mandatory and non-mandatory powers are available to the Authority under the Housing Act 2004 the enforcement powers may be undertaken without the requirement of the tenant to make a formal complaint and thereby protect the tenant from harassment by the landlord.
- 4.9 In line with our strategic ambitions to improve people's quality of life, we are focussed on utilising what tools and resources we have, to tackle poor housing standards in Leicester. Discretionary licensing is part of a wider set of measures to ensure landlords in Leicester provide good quality housing within their communities. Additional Licensing for example, can help alleviate the poor housing conditions and management in the HMO sector by setting and maintaining the appropriate standards. The same can be said for Selective Licensing when looking at all PRS properties (except for certain exemptions which include holiday lets, business premises, student premises where the university is the landlord/ manager and premises where the tenant is a family member).
- 4.10 Ensuring standards are maintained delivers a wide range of positive outcomes not just for individuals but for society as a whole including: -
 - Fewer homes that pose a risk to health and wellbeing

- Improved outcomes for families and young people
- More independence for older or vulnerable households.
- Lower carbon emissions, improved energy efficiency and reduced fuel poverty
- Less Anti-Social Behaviour
- Neighbourhoods that are more cohesive, attractive, and economically vibrant.

5 Consultation Methodology

5.1 The Council undertook a consultation following the Government guidance. The minimum consultation period required by legislation is 10 weeks. Due to Christmas falling within the consultation an additional 2 weeks was provided for respondents to comment. The consultation period ran from 30 November 2021 to 22 February 2022.

5.2 Due to the Corona-virus pandemic the decision was taken that the consultation would be undertaken remotely. However, it is required that the consultation must be robust and reach as many people as possible. Through a communications matrix all actions were logged, and methods of communications were recorded.

5.3 Officers ensured that the public and those affected by any possible changes to licensing were reached and encouraged to respond to the consultation and make their views known.

5.4 In order to ensure that the above was undertaken in a comprehensive manner a communication matrix was produced. The document was live and amended / updated as more information came to the attention of officers. Engagements Actions included:

- Letters to all residential properties in Leicestershire - 110725
- Emails to All business owners – 3654
- Email to All Faith Groups – 204 including a translation of the Councils letter into Gujarati and distributed to 1600 members of gurdwara
- Email to Landlord Associations – 9
- Email to DASH
- Email to Letting, Estate and Managing agents – 123
- Landmark advertised consultation on their local website and East Midlands website
- Email to District Council Chief Executives – 8
- Email to All Councillors + City Mayor – 54
- Article in FACE notifying all LCC staff
- Email to all Universities
- Email all student accommodation providers – 17
- Email all student Unions
- Email all schools - 1130
- A4 posters delivered to LCC libraries and community centres across the city
- Press releases and updates two local papers + Leicester Mercury
- Information to LCC Customer Services on handling enquiries
- Email to Police

- Email to LFRS
- Email to RICS, Chartered Institute of Housing and National Homes Federation
- Email to Citizen Advice Bureau placed consultation details on their website – 7,000 hits
- The web-based survey received 1120 responses.
- Response to consultation in addition to the online statistical questionnaire resulted in 162 emails, 50 Letters and 20 Phone calls.
- Landlord, estates and managing agent virtual presentations with Q&A's were undertaken on the 26 and 27 January and 2 February.2022
- The programme manager attended the Fosse ward meeting by Zoom on 2 February
- The programme manager attended the Homelessness Charter Management Group by TEAMS on the 10 February 2022
- Three Q&A drop-in sessions were publicised and held on the 15, 17 & 18 February 2022

6. Consultation Findings

6.1 Discretionary Licensing Efficacy of Consultation.

6.1.1 In total, over the 12-week consultation period, 1120 responses were received. The tables below shows the timeline of the correspondence received from the online questionnaire starting from the day after the launch of the consultation to the day after the consultation closed. The tables for the support of the schemes have been used as an indication of the engagement for the various schemes and the major events used in contacting consultees

6.1.2 Outlined at tables 1-4 below are the level of responses received in relation to both Selective and Additional Licensing, where ward-based discretionary licensing has been proposed.

Table 1: Response to consultation for Selective Licensing within parts of Stoneygate Ward (East Cluster)

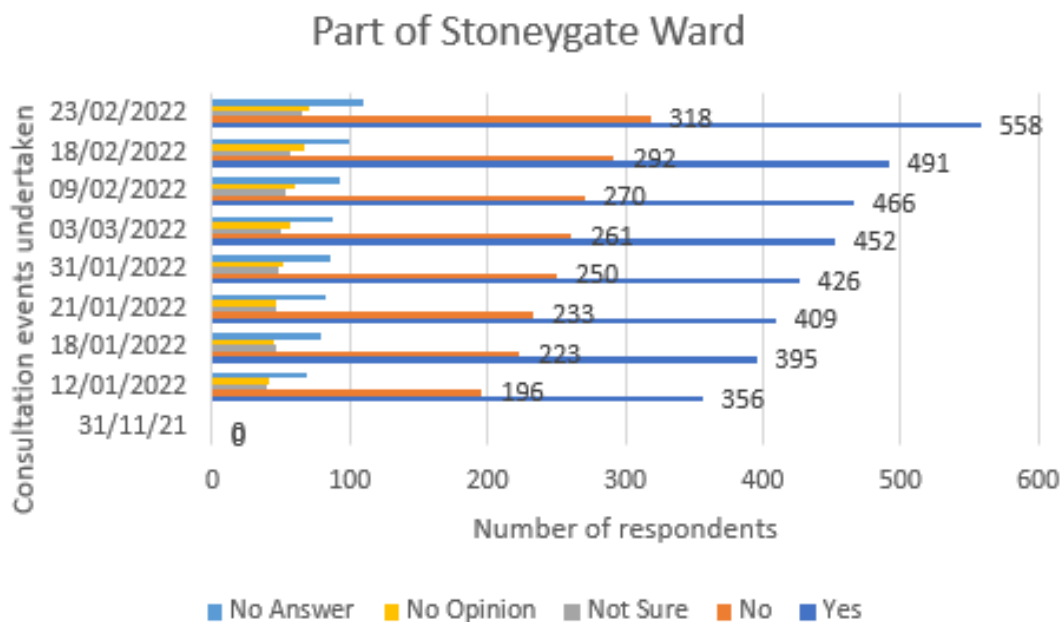


Table 2: Response to consultation for Selective Licensing within parts of Saffron Ward (South Cluster)

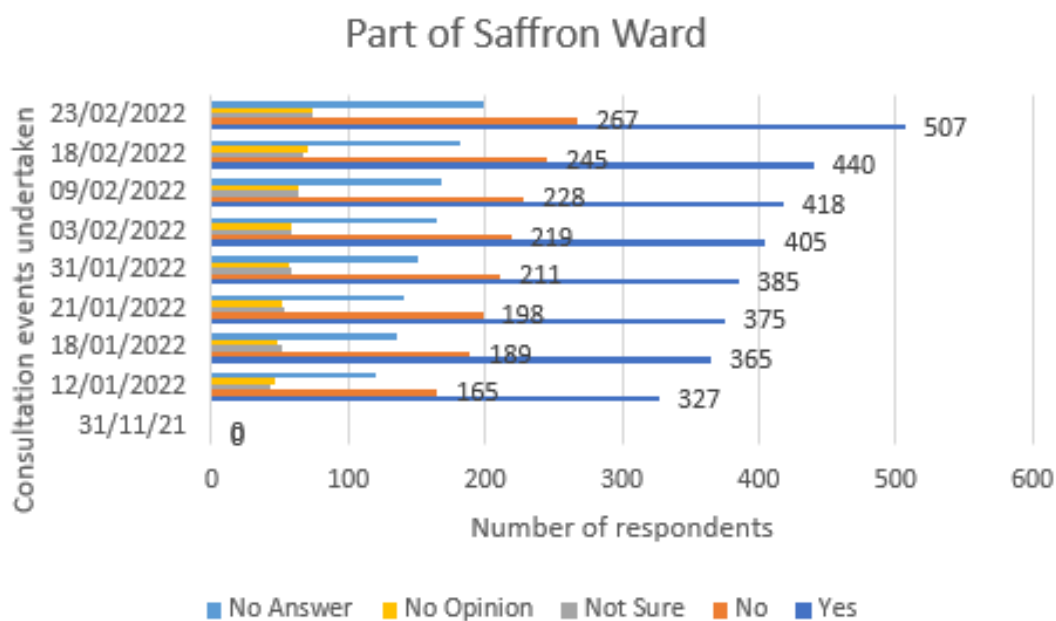


Table 3: Response to consultation for Selective Licensing within parts of the Wards of Westcotes, Fosse, Braunstone Park & Rowley Fields (West Cluster)

Parts of Westcotes, Fosse, Braunstone Park & Rowley Fields Wards.

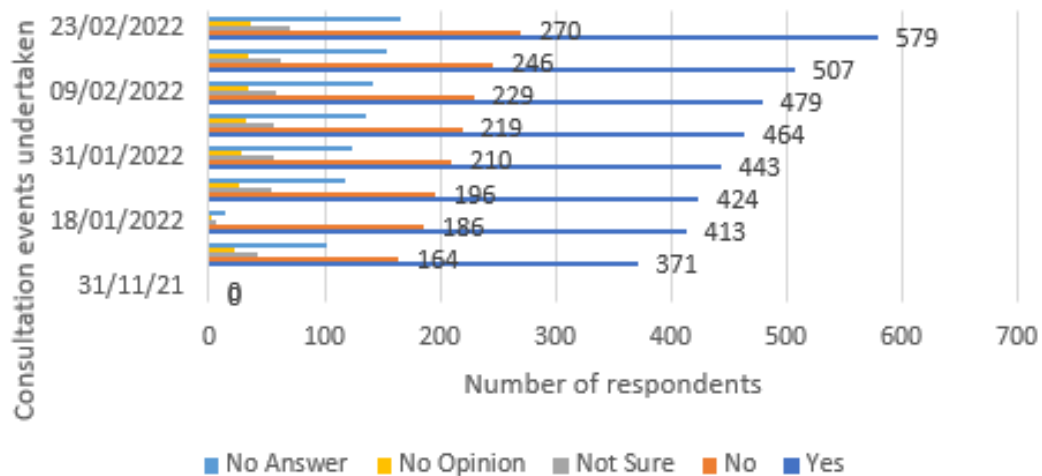
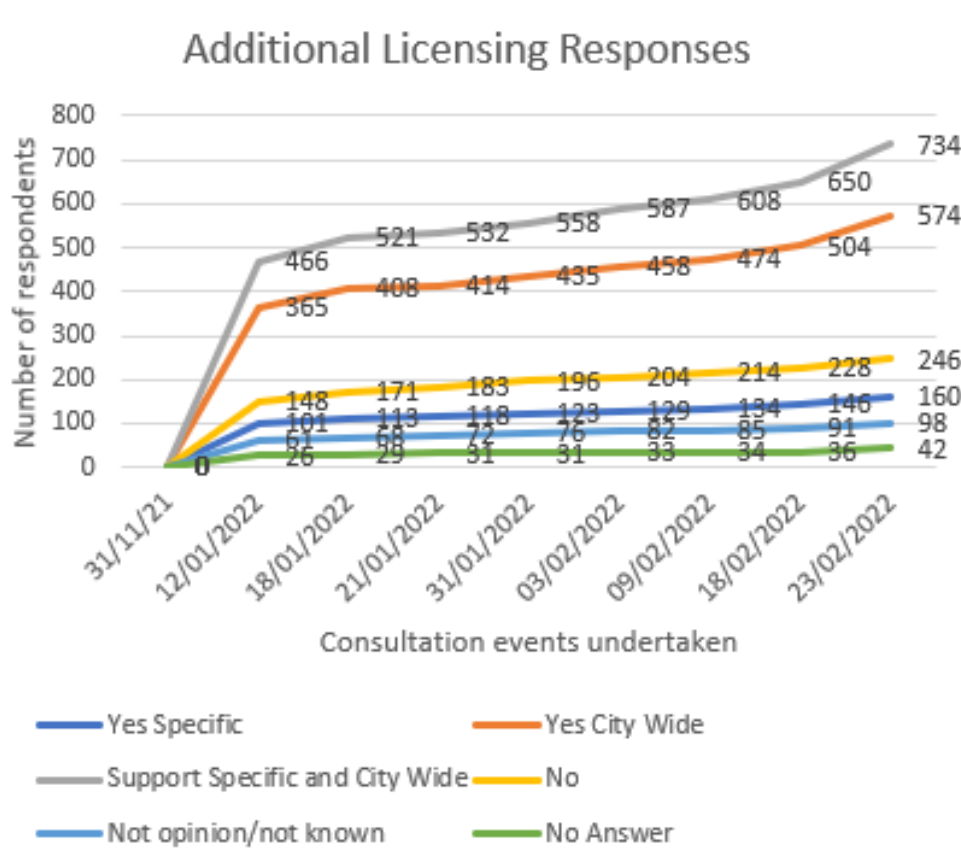


Table 4 outlines responses received over time in relation the proposal to introduce Additional Licensing.

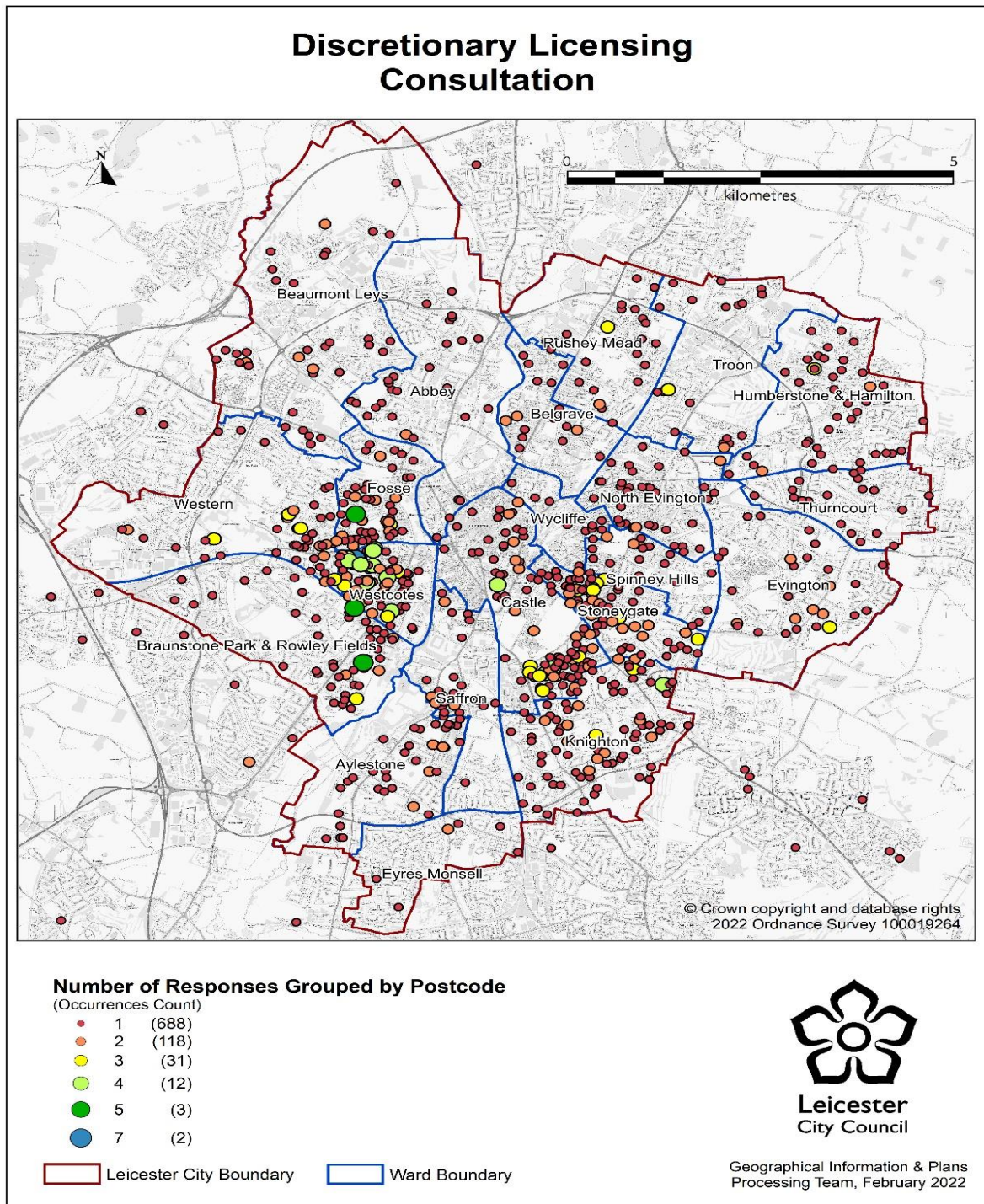


6.2 Information on Respondents (Location, Tenancies)

6.2.1 The responses to the consultation were recorded in terms of whether the consultee was responding in the role of tenant, landlord, etc; from the information below it can be seen that responses were received from all sections of the community. Interestingly, there were comparable number of responses from private tenants and private landlords. The highest proportion of respondents came from the residents of Leicester (50.45%), who were not private tenants.

Tenure	Number	%
Private Tenant	215	19.2
Leicester Resident	565	50.5
Landlord	270	24.1
Letting/Managing Agent	8	0.7
Local Business	6	0.5
Charitable Organisation	2	0.2
Not Identified (other)	54	4.8

6.2.2 The postcodes have been plotted below to identify the areas that consultees represented in their response.



The responses key relates to the numbers of responses from a given postcode, with the highest number of 7 respondents from the same post codes within the Westcotes Ward and three occasions where 5 respondents from the same post code commented. One in Braunstone and Rowley Fields Ward, One in Westcotes and One in Fosse all within the selective licensing designated areas

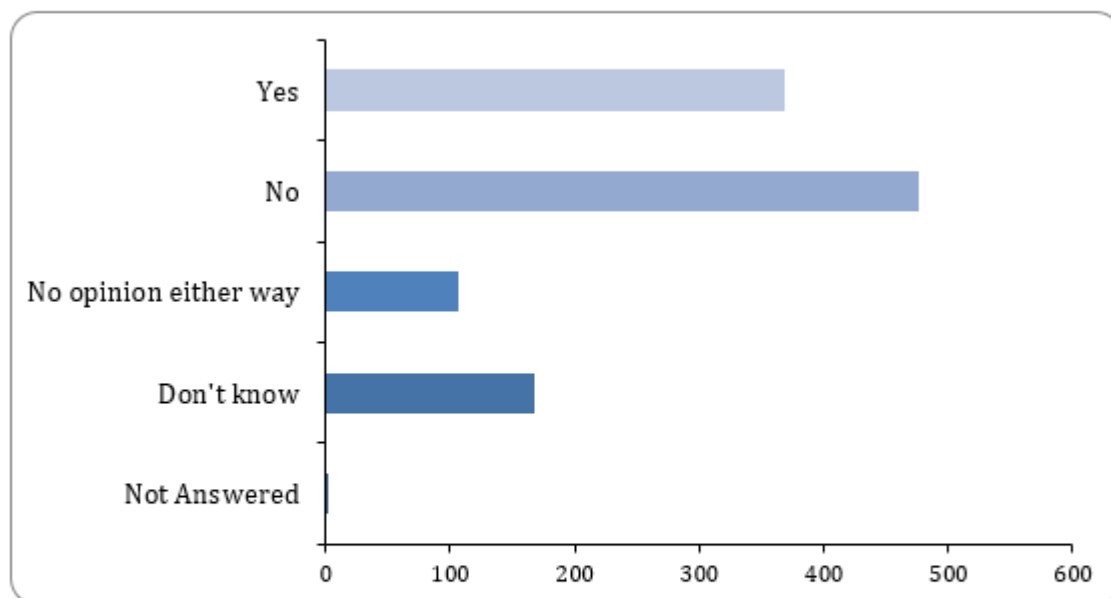
6.3 Responses – General Views re Introducing Discretionary Licensing

6.3.1 As part of the consultation the questionnaire requested information in relation to landlord responsibilities and the state of accommodation and the look of the general area etc. to understand the thoughts of the respondents as a wider view of the private rented sector to assist with further analysis to inform on further work to address issues within the PRS .

6.3.2 In relation to the question regarding whether properties were managed well or not by landlords, as can be seen from below 42.59% of the respondents felt that the properties were not managed well by landlords whereas 32.86% felt that they were.

Do you think privately rented properties in your area are well managed?

There were 1119 responses to this part of the question.

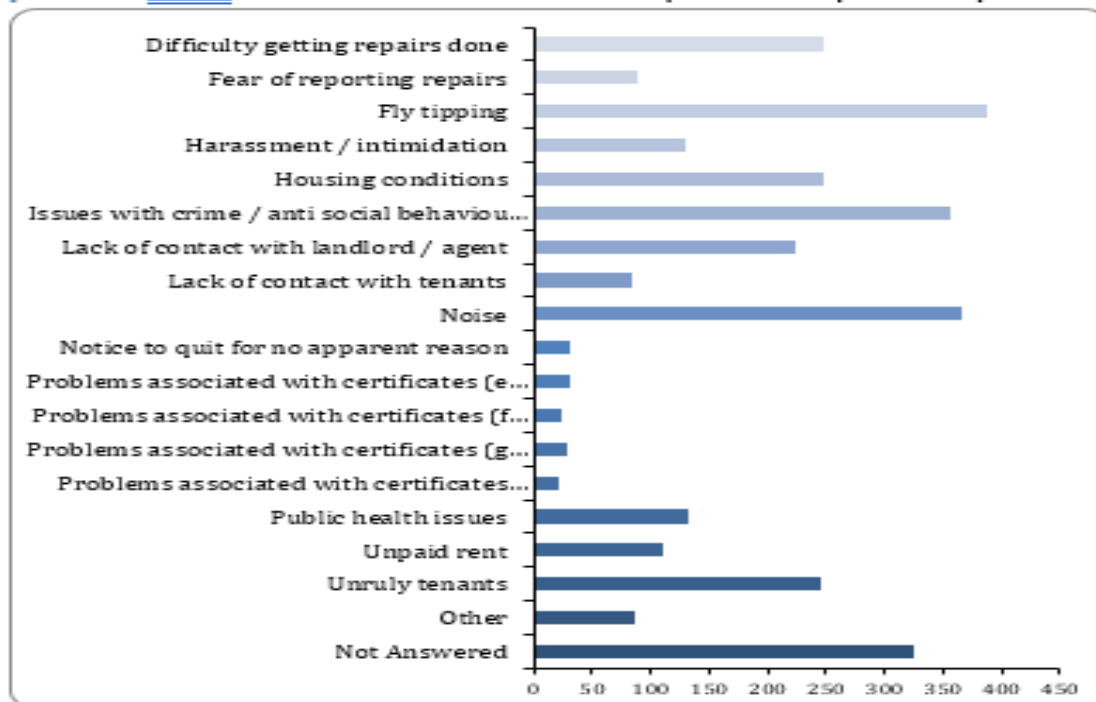


Option	Total	Percent
Yes	368	32.86%
No	477	42.59%
No opinion either way	107	9.55%
Don't know	167	14.91%
Not Answered	1	0.09%

6.3.3 When asked whether there had been problems with private rented accommodation and what these were, as can be seen from below, the top three issues identified are;

34.64% (388 respondents) complained of flytipping
 32.77% (367 respondents) complained on noise issues
 and,
 31.79% (356 respondents) complained of issues with Crime / Anti-social behaviour.

In relation to private rented accommodation, have you ever experienced problems with:- tenant issues: There were 796 responses to this part of the question.

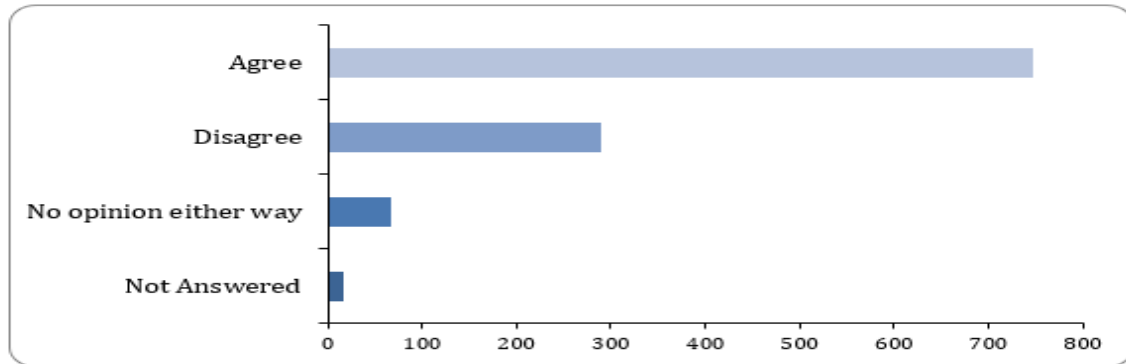


Option	Total	Percent
Difficulty getting repairs done	247	22.05%
Fear of reporting repairs	88	7.86%
Fly tipping	388	34.64%
Harassment / intimidation	130	11.61%
Housing conditions	248	22.14%
Issues with crime / anti social behaviour	356	31.79%
Lack of contact with landlord / agent	223	19.91%
Lack of contact with tenants	83	7.41%
Noise	367	32.77%
Notice to quit for no apparent reason	30	2.68%
Problems associated with certificates (electricity)	31	2.77%
Problems associated with certificates (fire)	23	2.05%
Problems associated with certificates (gas)	28	2.50%
Problems associated with certificates (HMO)	22	1.96%
Public health issues	132	11.79%
Unpaid rent	110	9.82%
Unruly tenants	245	21.88%
Other	87	7.77%
Not Answered	324	28.93%

6.3.7 Consultees were asked whether licensing would ensure that landlords would follow certain standard, as can be seen from below a significant percentage, 66.70% agreed that this would be the case.

statements matrix - Licensing sets specific standards that all landlords must follow

There were 1104 responses to this part of the question.

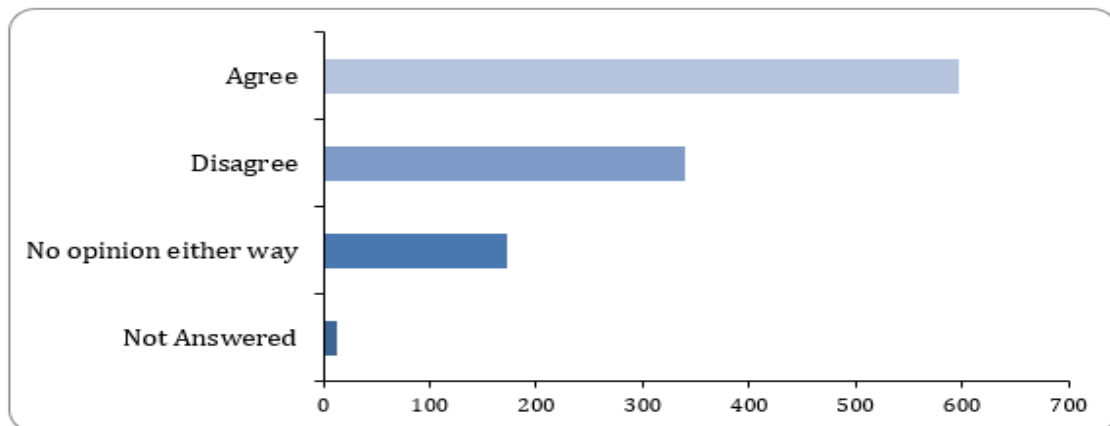


Option	Total	Percent
Agree	747	66.70%
Disagree	289	25.80%
No opinion either way	68	6.07%
Not Answered	16	1.43%

6.3.8 Prescribed conditions & supplementary conditions – a large proportion of respondents 53.21%, felt that introducing prescribed and supplementary conditions would improve joint working between the council and external agencies.

statements matrix - Licensing enables better joint working between council departments and agencies

There were 1108 responses to this part of the question.

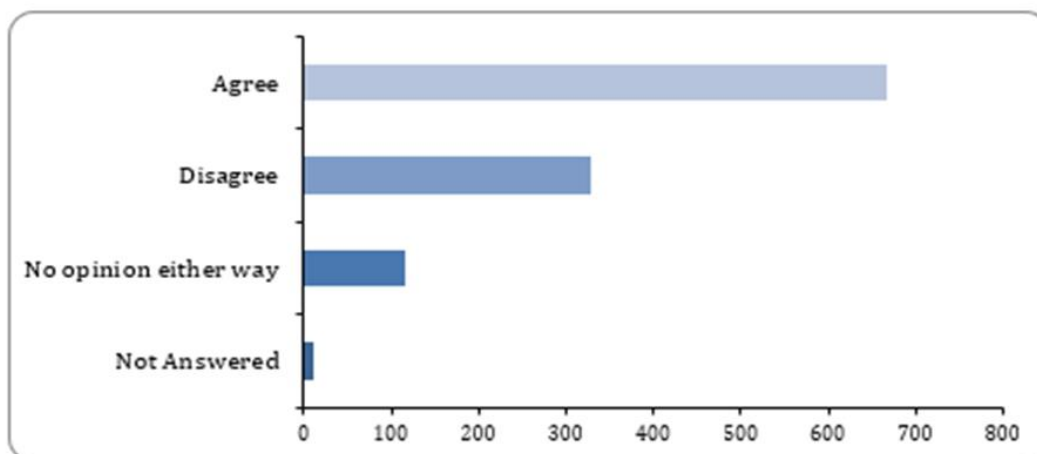


Option	Total	Percent
Agree	596	53.21%
Disagree	340	30.36%
No opinion either way	172	15.36%
Not Answered	12	1.07%

6.3.9 A significant number of respondents (59.55%) felt that introducing discretionary licensing would ensure and improve the health, safety and the general welfare of the community.

statements matrix - Licensing helps protect the health, safety and welfare of the community

There were 1109 responses to this part of the question.



Option	Total	Percent
Agree	667	59.55%
Disagree	327	29.20%
No opinion either way	115	10.27%
Not Answered	11	0.98%

6.4 Selective Licensing

6.4.1 This section highlights the views of respondents with Option A in relation to the introduction of a Selective Licensing scheme. Respondents were consulted on whether they agreed / not agree with establishment of Selective Licensing scheme and whether thought should be given to expanding, reducing or keep the same geographical area.

6.4.2. Selective Licensing within parts of the Wards have been named as clusters these being: Stoneygate (East Cluster); Westcotes, Fosse, Braunstone Park & Rowley Fields (West Cluster); Saffron (South Cluster)

6.4.3 From direct correspondence via email, letter and phonecalls in support of Selective Licensing

Option	Total	Percent
Yes	71	35.15%
No	30	14.85%

6.4.4 Selective Licensing was supported in all of the designated areas from the questionnaire with: Parts of Stoneygate Ward (East Cluster) 49.82%, Parts of Saffron Ward (South Cluster) 44.7%. Parts of Westcotes, Fosse, Braunston Park, Rowley Fields Wards (West Cluster) 51.7%, see graphs and tables below. Also in all cases, a significant

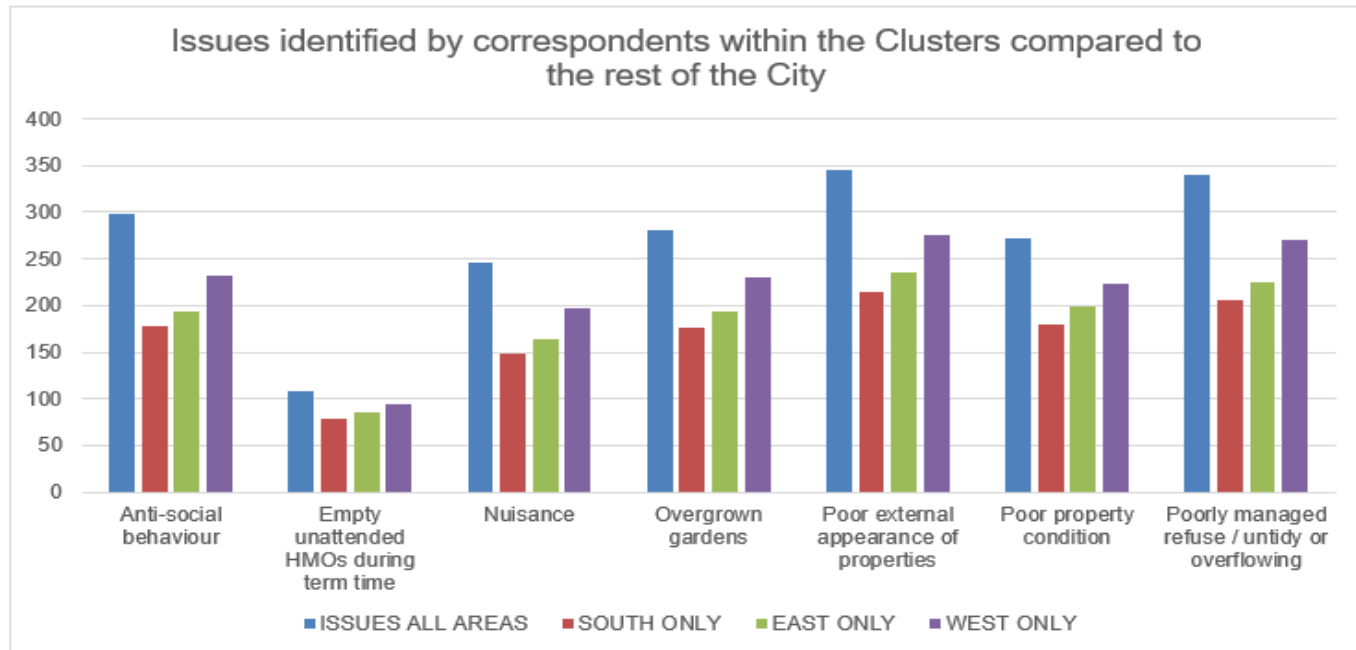
proportion of respondents stated that the areas considered for Selective Licensing should be expanded.

6.4.5 Each of the cluster areas have been further analysed and compared to the situation in the rest of the City. As can be seen from the table below and the chart. The issues encountered in the three Cluster areas is acute with the numbers in all areas being comparable to the rest of the City

6.4.6 Although the Selective Licensing Scheme covers less than 20 % geographical area the three designated areas account for:

- 66.85% of Anti-Social Behaviour issues
- 70.39% of empty/unattended HMO's
- 67.46% of Nuisance issues
- 68.15% of Overgrown gardens
- 67.75% of Poor external appearance of properties
- 68.87% of Poor property conditions
- 67.3% of waste management issues

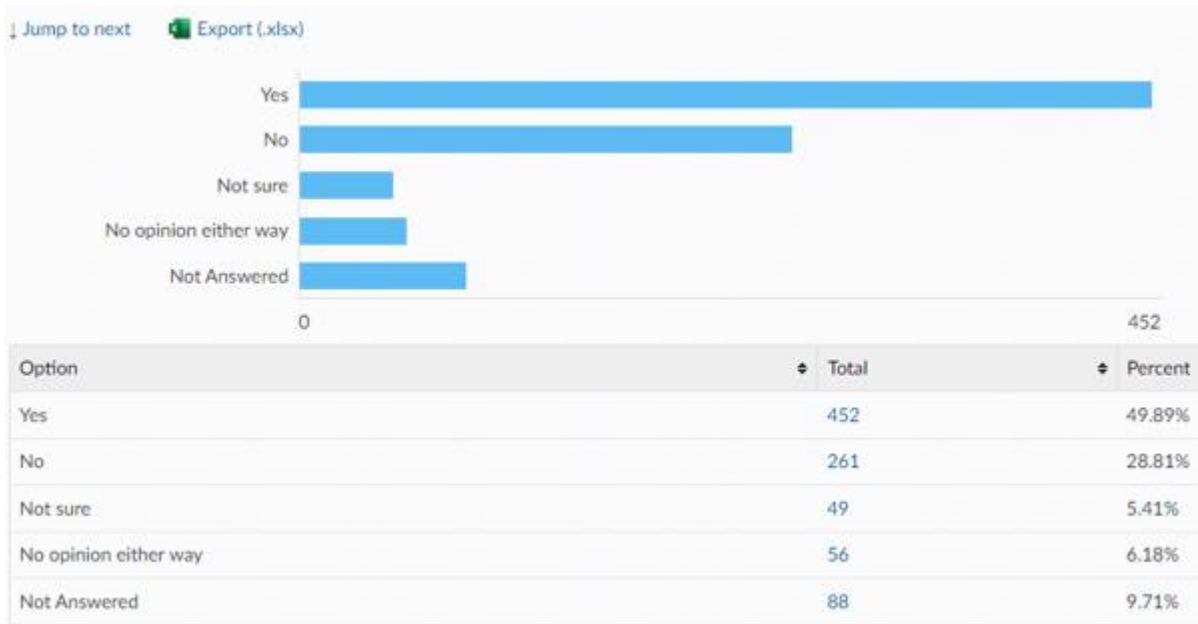
Area	Anti-social behaviour	%	Empty unattended HMOs	%	Nuisance	%	Overgrown gardens	%	Poor external appearance of properties	%	Poor property condition	%	Poorly managed refuse / untidy or overflowing	%
ISSUES ALL AREAS	299	33.12	109	29.62	246	32.54	280	31.85	345	32.24	272	31.12	340	32.69
SOUTH ONLY	178	19.73	79	21.47	149	19.71	176	20.02	214	20	180	20.59	205	19.71
EAST ONLY	193	21.4	85	23.1	164	21.69	193	21.96	235	21.96	198	22.65	225	21.63
WEST ONLY	232	25.72	95	25.82	197	26.06	230	26.17	276	25.79	224	25.63	270	25.96



6.4.7 The acute problems identified above indicate that the designation of Selective Licensing within the three Cluster areas can have a dramatic effect on the neighbourhoods and improve conditions for residents and visitors.

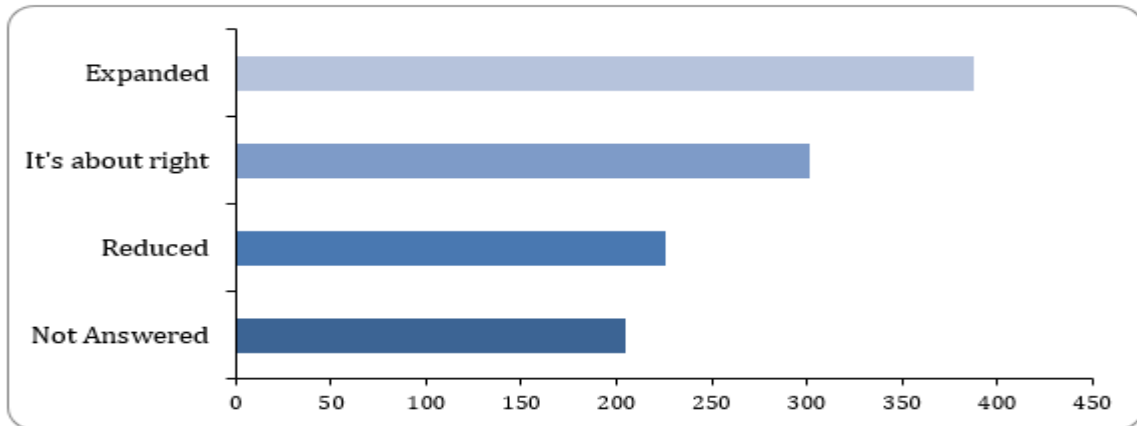
6.4.8 Stoneygate (East Cluster) support for Selective Licensing

818 respondents



Stoneygate Ward area size

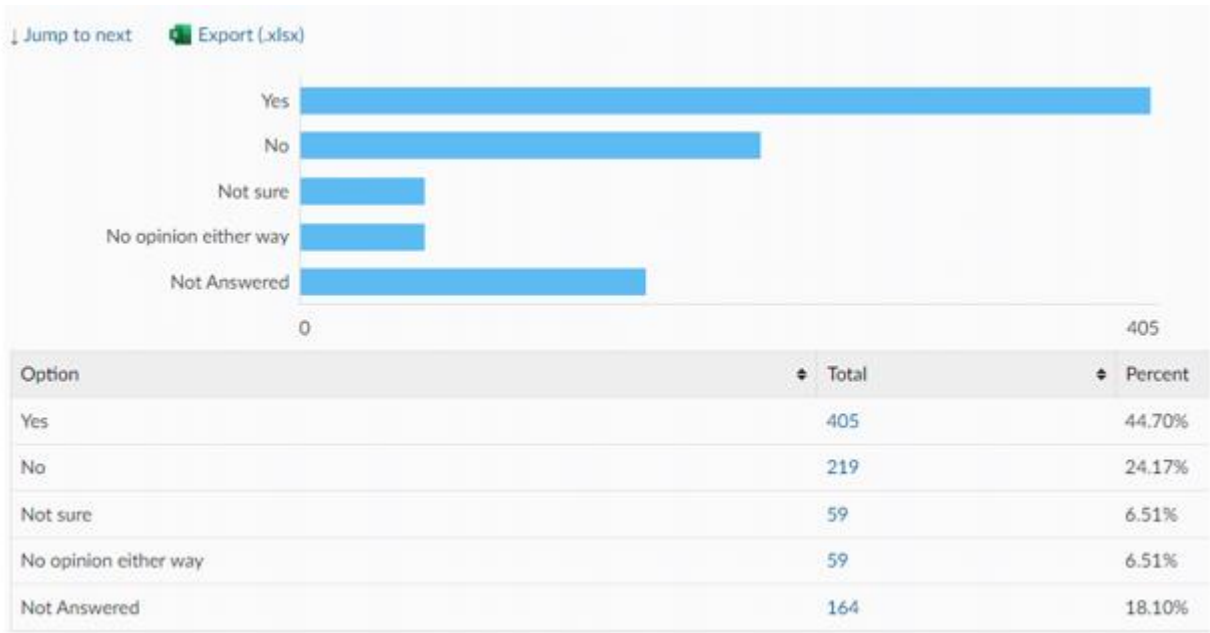
There were 915 responses to this part of the question.



Option	Total	Percent
Expanded	388	34.64%
It's about right	301	26.88%
Reduced	226	20.18%
Not Answered	205	18.30%

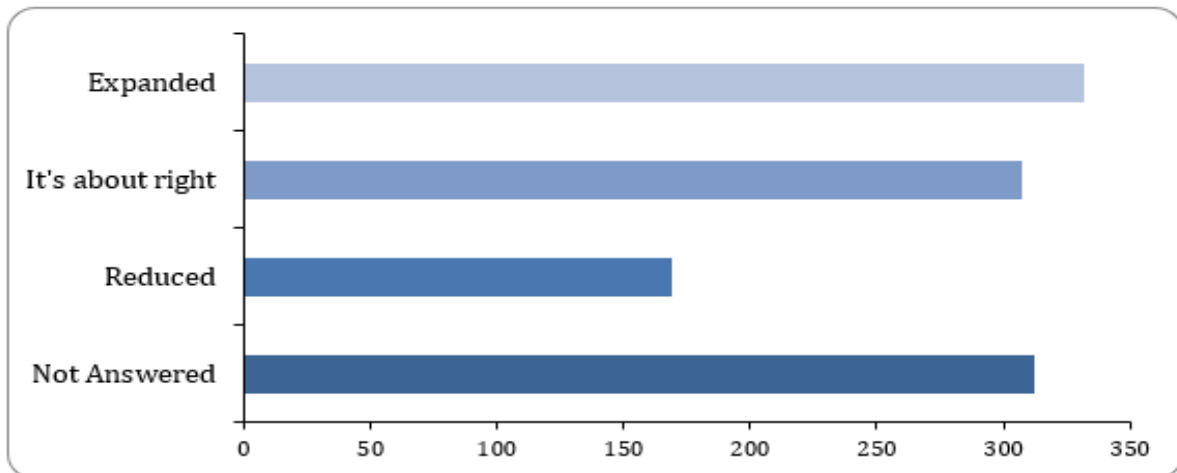
6.4.9 Saffron (South Cluster) support for Selective Licensing

742 respondents



Saffron Ward area size

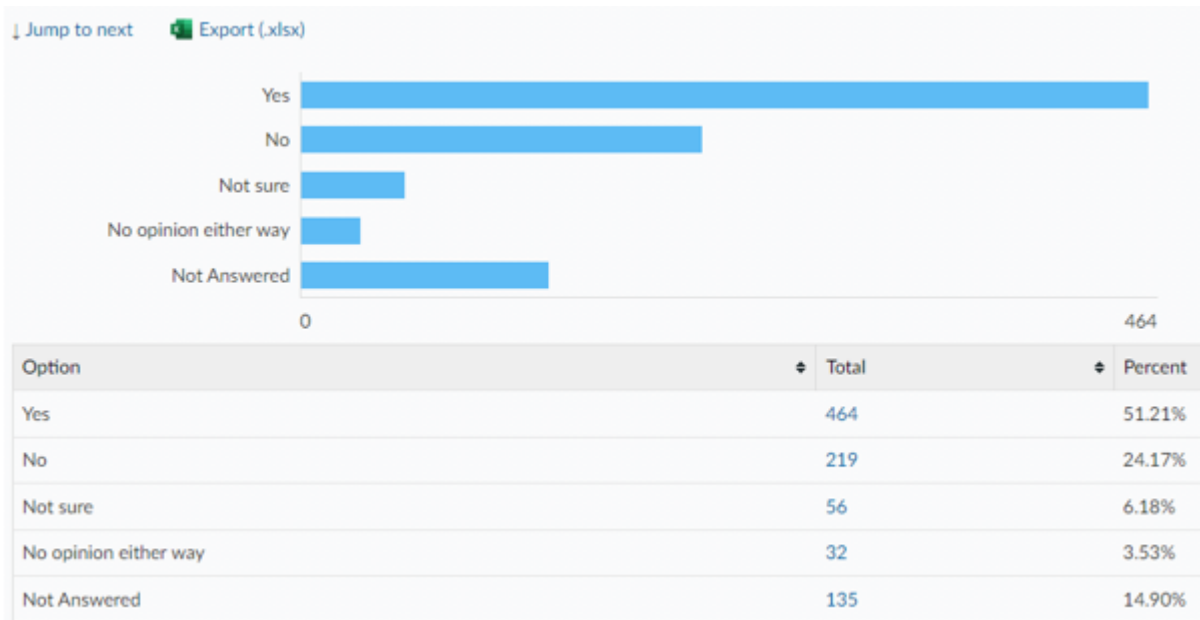
There were 808 responses to this part of the question.



Option	Total	Percent
Expanded	332	29.64%
It's about right	307	27.41%
Reduced	169	15.09%
Not Answered	312	27.86%

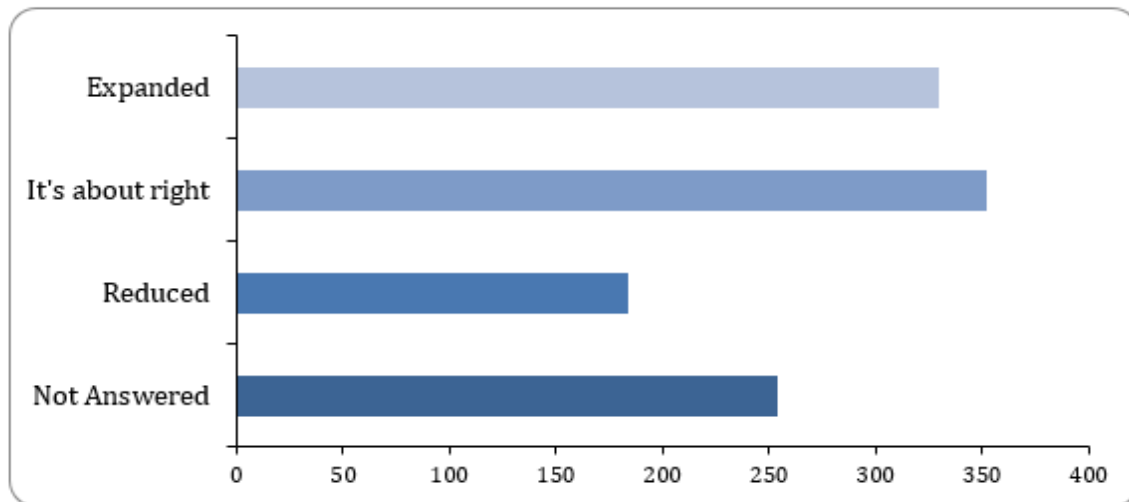
6.4.10 Westcotes, Fosse, Braunston Park, Rowley Fields Wards (West Cluster) support for Selective Licensing

771 spondents



Westcotes, Fosse, Braunstone Park, Rowley Fields Wards area size

There were 866 responses to this part of the question.



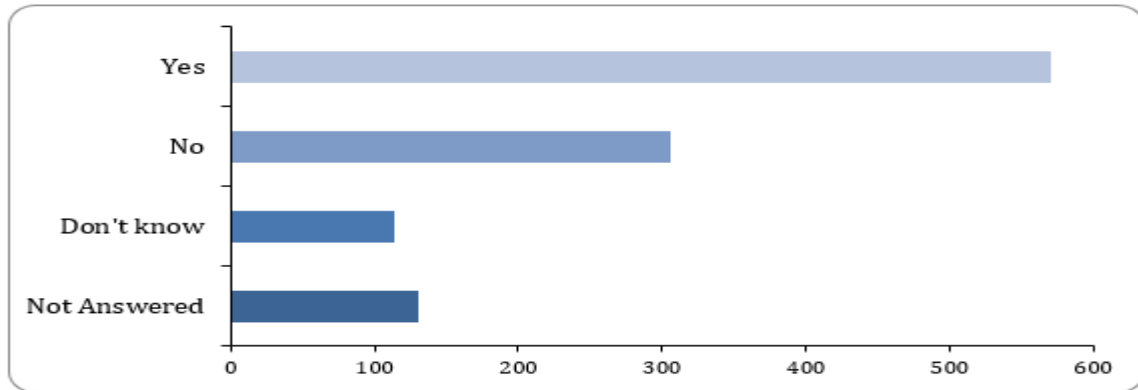
Option	Total	Percent
Expanded	330	29.46%
It's about right	352	31.43%
Reduced	184	16.43%
Not Answered	254	22.68%

6.4.11 A further area addressed within the consultation was the respondents thoughts on whether Selective Licensing would improve housing conditions. As can be seen from the bar charts and tables below, all area responses indicated that a significant

proportion of respondents felt that introducing Selective Licensing would improve housing conditions.

Stoneygate Ward - Do you think selective Licensing will improve Housing standards

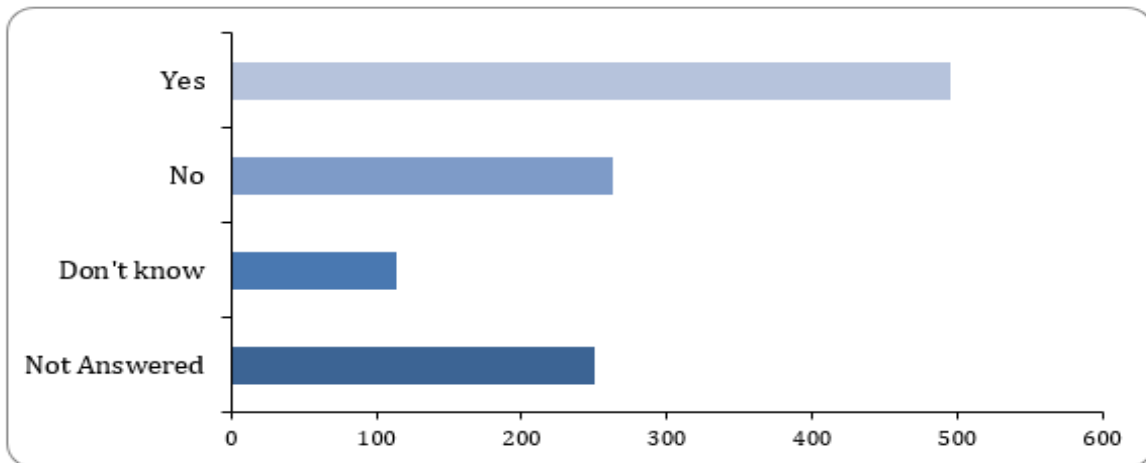
There were 990 responses to this part of the question.



Option	Total	Percent
Yes	570	50.89%
No	306	27.32%
Don't know	114	10.18%
Not Answered	130	11.61%

Saffron Ward - Do you think selective Licensing will improve housing standards

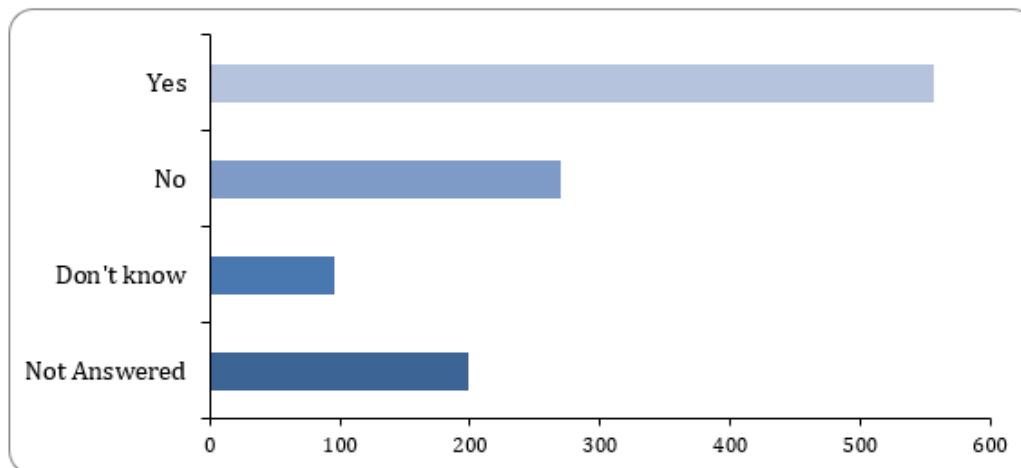
There were 870 responses to this part of the question.



Option	Total	Percent
Yes	495	44.20%
No	262	23.39%
Don't know	113	10.09%
Not Answered	250	22.32%

Westcotes, Fosse, Braunstone Park, Rowley Fields Wards - Do you think selective Licensing will improve housing standards improve standards

There were 922 responses to this part of the question.



Option	Total	Percent
Yes	557	49.73%
No	270	24.11%
Don't know	95	8.48%
Not Answered	198	17.68%

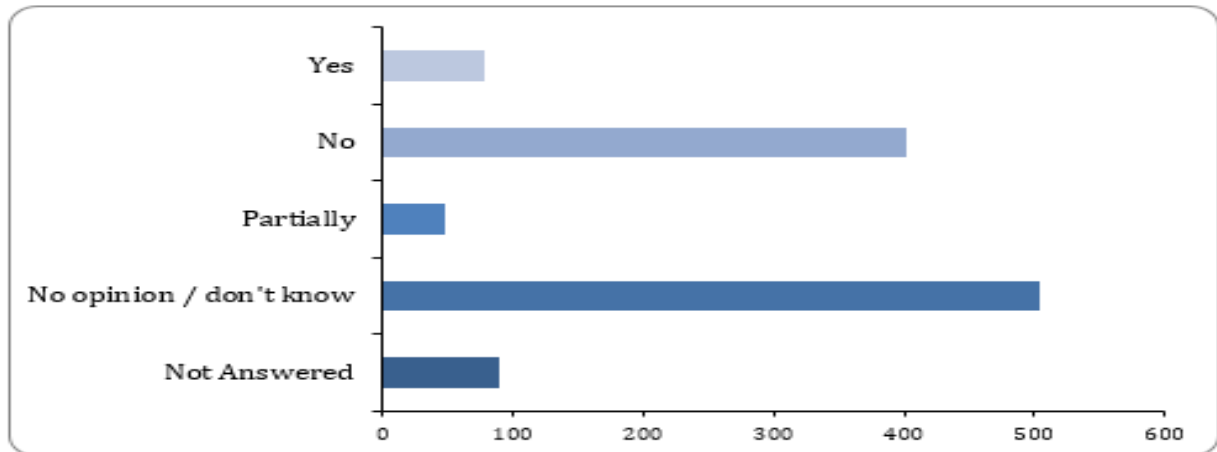
6.5 Additional Licensing

6.5.1 This section highlights the respondents' views in relation to the possible introduction of Additional Licensing. When asked a large proportion of respondents felt that the maintenance of HMOs had not improved over the last 5 years (a significant proportion responded "no opinion/ not sure" to these questions).

In your experience, have HMOs changed in the past five years?

HMO 5 years matrix - HMO maintenance has improved

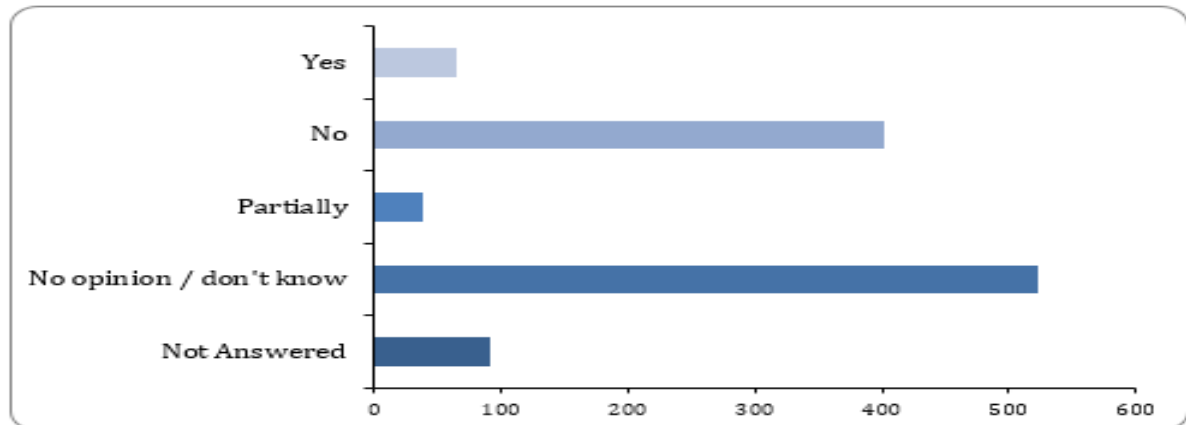
There were 1031 responses to this part of the question.



Option	Total	Percent
Yes	78	6.96%
No	402	35.89%
Partially	48	4.29%
No opinion / don't know	503	44.91%
Not Answered	89	7.95%

HMO 5 years matrix - HMO management has improved

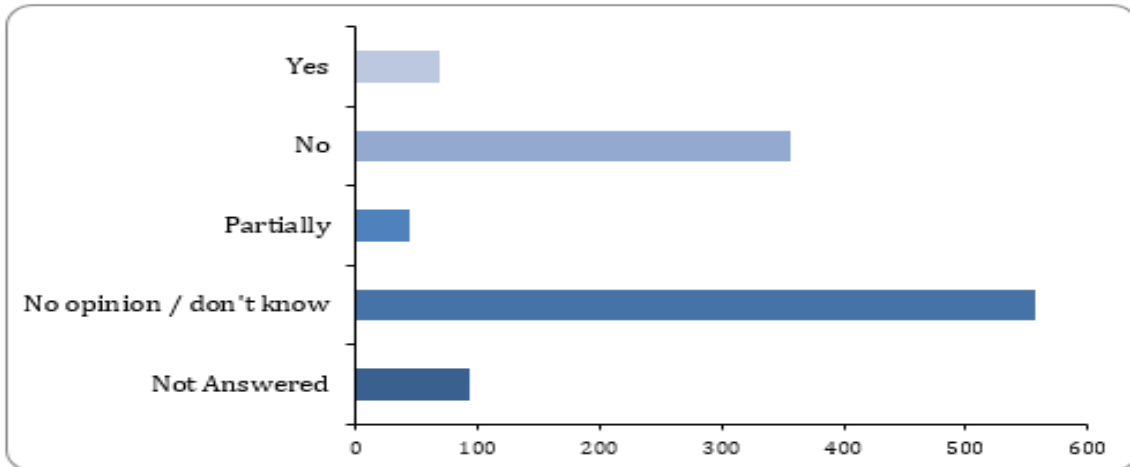
There were 1028 responses to this part of the question.



Option	Total	Percent
Yes	65	5.80%
No	402	35.89%
Partially	39	3.48%
No opinion / don't know	522	46.61%
Not Answered	92	8.21%

HMO 5 years matrix - Living conditions in HMOs have improved

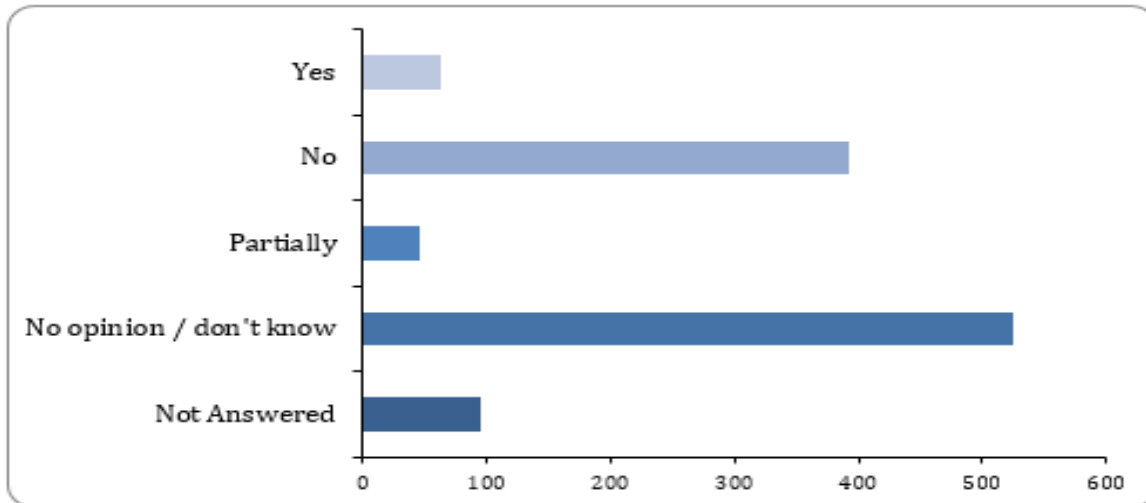
There were 1026 responses to this part of the question.



Option	Total	Percent
Yes	69	6.16%
No	357	31.87%
Partially	43	3.84%
No opinion / don't know	557	49.73%
Not Answered	94	8.39%

HMO 5 years matrix - There's less anti-social behaviour associated with HMOs

There were 1025 responses to this part of the question.

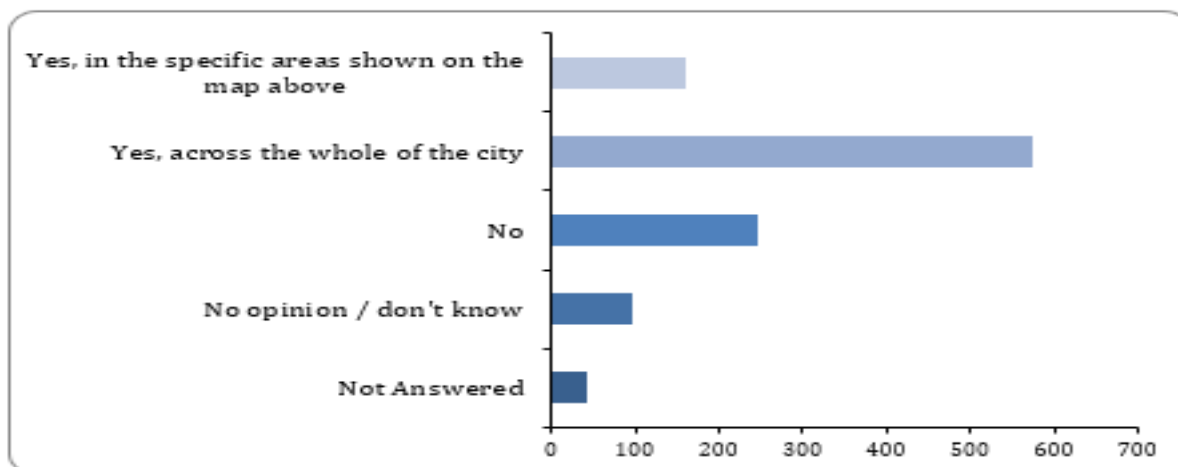


Option	Total	Percent
Yes	63	5.62%
No	393	35.09%
Partially	45	4.02%
No opinion / don't know	524	46.79%
Not Answered	95	8.48%

6.5.2 Findings: agree / not agree with establishment of additional licensing.

Do you support the introduction of Additional Licensing for HMOs?

There were 1078 responses to this part of the question.



Option	Total	Percent
Yes, in the specific areas shown on the map above	160	14.29%
Yes, across the whole of the city	574	51.25%
No	246	21.96%
No opinion / don't know	98	8.75%
Not Answered	42	3.75%

- 6.5.3 Consultation results received in addition to the questionnaire were received by email, letter and phone calls. These have been reviewed in the table below and indicate their support for each of the proposed options.

Additional evidence table of results

Option	Total	Percent
Yes Option A	64	31.68%
Yes Option B	43	21.29%
Yes Option C	0	0%
No	30	14.84%
No Opinion	65	32.18%

- 6.5.4 Additional licensing Option B City wide was supported by 51.25% of respondents within the respondents who undertook the questionnaire; with all answers being considered including those that specifically supported the Additional Licensing in the designated areas, were unsure, or had no opinion or did not answer.
- 6.5.5 Additional Licensing Option C in the designated areas adding the trends from the comments to the yes / no vote resulted in the support for the scheme was supported by only 12.48%.
- 6.5.6 Additional Licensing Option B adding the trends from the comments to the yes / no vote results in support of the Additional Licensing city wide was supported by 49.49%

7. Fees

7.1 The fees for discretionary licensing are recovered under the Housing Act 2004. The local housing authority may (subject to any regulations made under subsection (5)) take into account—

- (a) all costs incurred by the authority in carrying out their functions under this Part, and
- (b) all costs incurred by them in carrying out their functions under Chapter 1 of Part 4 in relation to Part 3 houses and HMOs (so far as they are not recoverable under or by virtue of any provision of that Chapter).

The funds raised from discretionary licensing are ring fenced, so the Local Authority cannot fund other services through the licence fee.

7.2 The licence fee is calculated on the costs of staffing of the discretionary licensing team including administrative officers and associated costs incurred including legal, HR and IT departments and the supply of equipment to undertake the duties of the team.

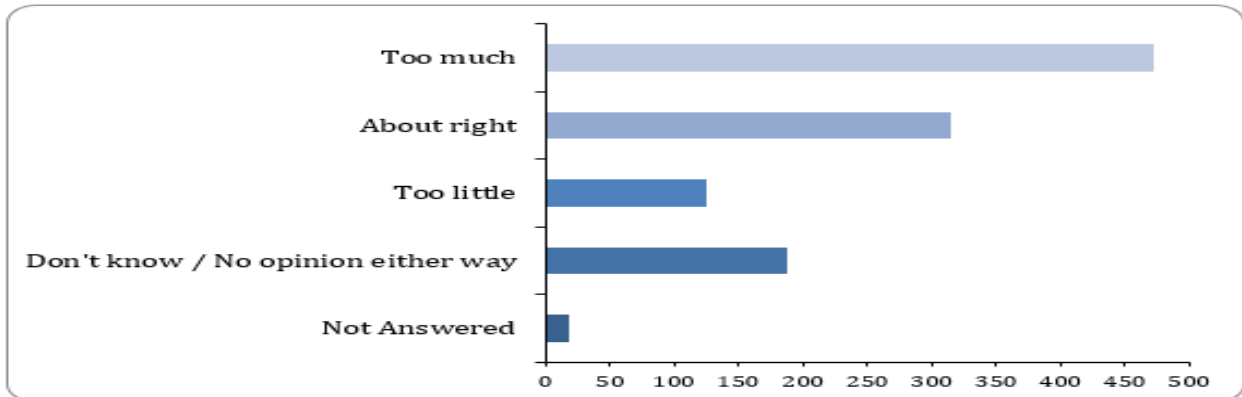
7.3 The council is therefore mindful of the costs of the licence fee and minimising any unnecessary costs. However, the licence fee must cover the costs of the service.

7.4 The fee proposed within the consultation received a negative view with the costs being expressed as too much by 42.14% of respondents. This however when considered with the respondents who stated the costs were about right or too little compared at 39.37%. It should be borne in mind that the costs of the service must be cost neutral over the period of the licensing scheme

7.5 Question relating to the fees chargeable

7.5.1 The fee proposed within the consultation received a negative view with the costs being expressed as too much by 42.14% of respondents, that said 39.38% of the respondents stated the costs were about right or too little.

There were 1101 responses to this part of the question.



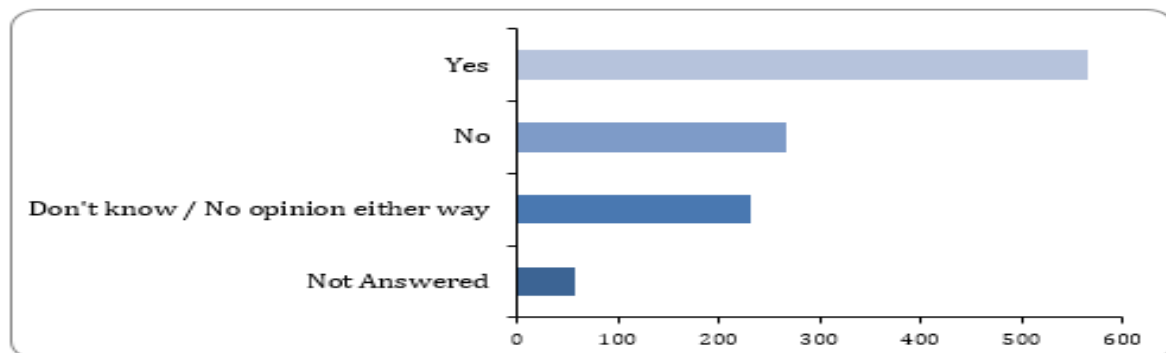
Option	Total	Percent
Too much	472	42.14%
About right	315	28.12%
Too little	126	11.25%
Don't know / No opinion either way	188	16.79%
Not Answered	19	1.70%

7.5.2 Findings- Analysis of discounts

The proposed discounts in the consultation were supported by the majority of respondents with early bird discount being supported by 50.45%, Charities discount being supported by 53.66 % and accredited landlords discount being supported by 52.77%,

Should we offer a 10% early bird discount for applications received within six months of a Selective or Additional Licensing scheme being introduced?

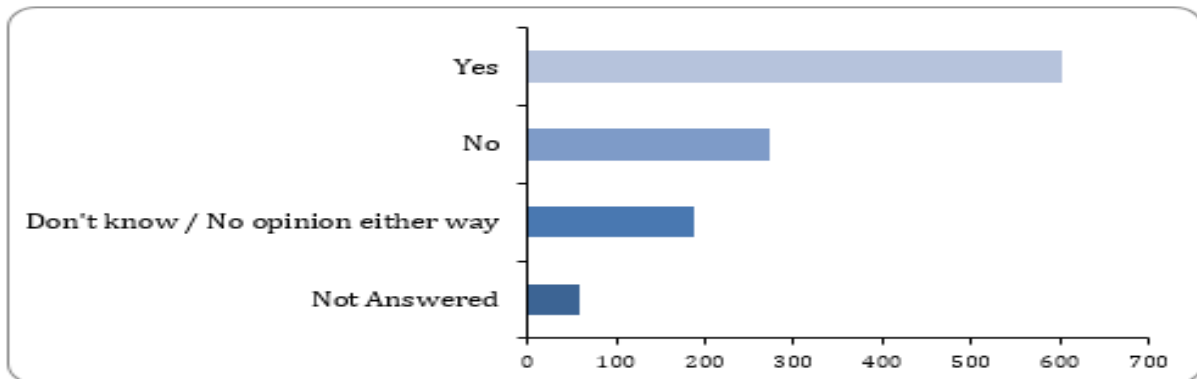
There were 1063 responses to this part of the question.



Option	Total	Percent
Yes	565	50.45%
No	266	23.75%
Don't know / No opinion either way	232	20.71%
Not Answered	57	5.09%

Should we offer a 10% discount for charitable organisations who own / manage private rented accommodation?

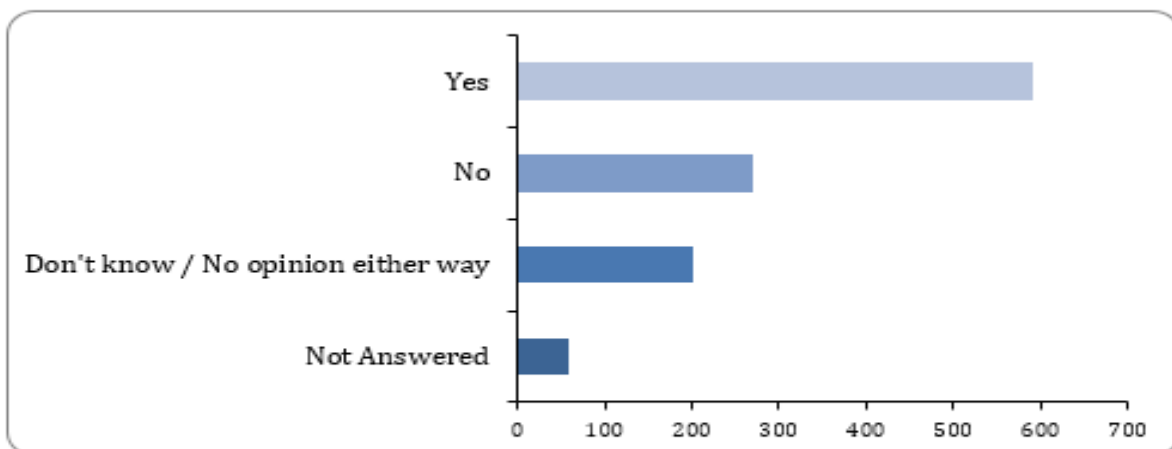
There were 1062 responses to this part of the question.



Option	Total	Percent
Yes	601	53.66%
No	273	24.38%
Don't know / No opinion either way	188	16.79%
Not Answered	58	5.18%

Should we offer a 10% discount to members of a private landlord accreditation scheme?

There were 1061 responses to this part of the question.

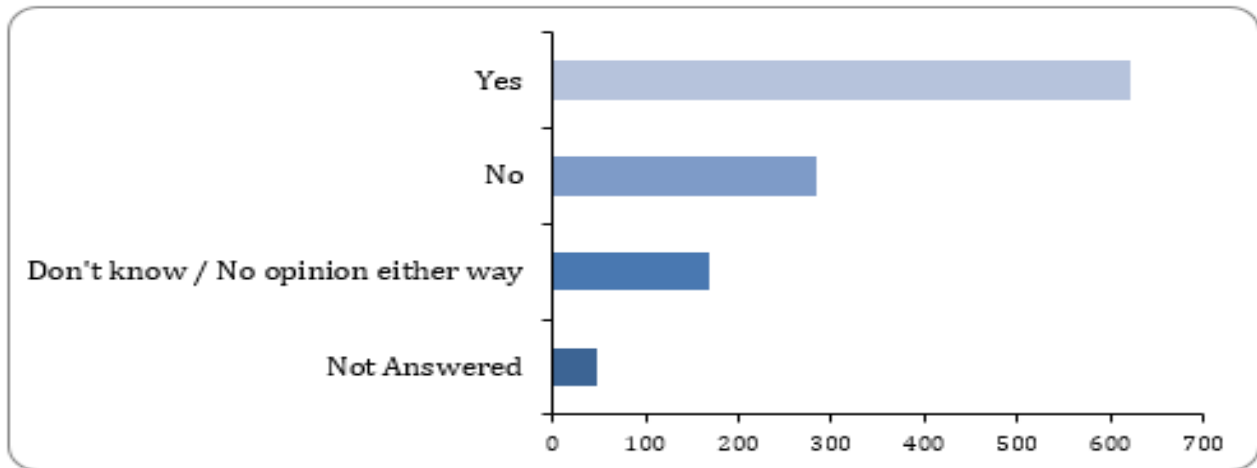


Option	Total	Percent
Yes	591	52.77%
No	269	24.02%
Don't know / No opinion either way	201	17.95%
Not Answered	59	5.27%

7.5.3 Similarly, there was support with 55.45% of the respondents stating that they agree with the levying of a penalty for late applications.

Should we introduce a 20% late license penalty fee?

There were 1072 responses to this part of the question.



Option	Total	Percent
Yes	621	55.45%
No	283	25.27%
Don't know / No opinion either way	168	15.00%
Not Answered	48	4.29%

7.5.4 From comments received within the questionnaire and supporting commentary from the trends in the comments there was a significant indication that those properties which were above the current EPC rating of E should be rewarded with a discount. This would encourage landlords to bring in a higher EPC and be in support of the Council's Environmental Agenda.

7.5.5 Comments received during the consultation was for a discount for landlords of multiple properties. There would not be a requirement for a landlord to provide evidence for a fit and proper persons test following the initial application thereby streamlining the process for subsequent application.

8. Overall View on Each Option Presented

8.1 There are six options available to full Council on the schemes available. The total options are outlined below

- i. Option A: Selective licensing within parts of the Wards of Westcotes, Fosse, Saffron, Braunstone Park & Rowley Fields and Stonegate. (Covering less than 20% of Leicester's geographical area and less than 20% of privately rented homes in the local authority area).

- ii. Option B: Additional licensing that covers the entire city (citywide).
- iii. Option C: Additional licensing within parts of Westcotes, Fosse, Braunstone Park & Rowley Fields and Stoneygate.
- iv. Option A and B: Combination of selective licensing and city-wide additional licensing
- v. Option A and C: Combination of selective licensing and designated additional licensing areas
- vi. No scheme being adopted

8.2 Option A: The scheme has widespread support with the Stoneygate Ward being supported by 58.35%, Saffron Ward was supported by 56.55% and the Westcotes, Fosse, Braunstone Park & Rowley Fields Wards was supported by 61.85%. In addition a number of respondents requested all areas be expanded Stoneygate Ward 34.64%, Saffron 29.64% and the Westcotes, Fosse, Braunstone Park & Rowley Fields Wards 29.64%.

8.3 The table below provides a more detailed analysis of the responses with the Leicester residents for Selective Licensing indicating that 74% support the scheme and 59 % of tenants. Although 67% of landlords opposed the scheme in the Stoneygate Ward a sizeable minority 18% of private landlords supported the scheme.

Selective licensing East response stats									
Proposal agreement	Total	Supportive		Unsupportive		Not sure		No opinion	
Private tenants	200	117	59%	61	31%	12	6%	10	5%
Leicester residents	495	365	74%	64	13%	29	6%	37	7%
Private landlords	261	47	18%	175	67%	18	7%	21	8%
Letting / managing agents	8	1	13%	6	75%	1	13%		
Local business	7	1	14%	3	43%	2	29%	1	14%
Charities	4	1	25%	1	25%	1	25%	1	25%
Organisation reps	4	3	75%	1	25%				
TOTALS	979	535	55%	311	32%	63	6%	70	7%

8.4 The table below provides a more detailed analysis of the responses for parts of Westcotes, Fosse, Braunstone Park & Rowley Fields Ward) with the Leicester residents indicating that 81% support the scheme and 64 % of tenants. Although 64% of landlords

opposed the scheme a sizeable minority 20% of private landlords supported the scheme.

Selective licensing West response stats

Proposal agreement	Total	Supportive		Unsupportive		Not sure		No opinion	
Private tenants	176	113	64%	41	23%	14	8%	8	5%
Leicester residents	479	389	81%	54	11%	23	5%	13	3%
Private landlords	247	50	20%	157	64%	26	11%	14	6%
Letting / managing agents	7			5	71%	2	29%		
Local business	6	3	50%	2	33%			1	17%
Charities	4	2	50%			1	25%	1	25%
Organisation reps	4	3	75%	1	25%				
TOTALS	923	560	61%	260	28%	66	7%	37	4%

8.5 The table below provides a more detailed analysis of the responses for Saffron Ward with Leicester residents indicating that 74% support the scheme and 59% of tenants. Although 60% of landlords opposed the scheme a sizeable minority 19% of private landlords supported the scheme.

Selective licensing South response stats

Proposal agreement	Total	Supportive		Unsupportive		Not sure		No opinion	
Private tenants	185	109	59%	46	25%	16	9%	14	8%
Leicester residents	442	329	74%	56	13%	27	6%	30	7%
Private landlords	242	46	19%	145	60%	23	10%	28	12%
Letting / managing agents	7			6	86%	1	14%		
Local business	6	2	33%	3	50%	1	17%		
Charities	4	2	50%	1	25%	1	25%		
Organisation reps	4	3	75%	1	25%				
TOTALS	890	491	55%	258	29%	69	8%	72	8%

8.6 Option B: This scheme was supported by 51.25% of respondents; with the option being limited to a single answer; In total the total number of persons in support of additional licensing is 75.29%

8.7 Option C in the 4 designated areas overall support was supported by only 42.38%

8.8 The table below provides a more detailed analysis of the responses for Additional Licensing within Leicester for both the Citywide and the designated areas options. The Leicester residents indicated that 69% and 53% of tenants supported the scheme Citywide. Although 43% of landlords opposed the scheme a sizeable minority 21% of private landlords supported the citywide scheme.

8.9 In terms of the designated areas this was not generally supported due to the selection of the citywide option being significant and there not being an opportunity to make multiple choices, although private landlords supported some form of additional licensing in overall supported by 40% of private landlord respondents compared to the 43% of private landlord respondents opposed to the imposition of additional licensing being brought in.

Additional licensing response stats

Proposal agreement	Total	Yes, specified area		Yes, city-wide		No		No opinion	
Private tenants	198	25	13%	105	53%	45	23%	23	12%
Leicester residents	554	80	14%	382	69%	67	12%	25	5%
Private landlords	261	49	19%	55	21%	113	43%	44	17%
Letting / managing agents	8	0	0%	0	0%	8	100%	0	0%
Local business	6	1	17%	3	50%	2	33%	0	0%
Charities	2	0	0%	1	50%	1	50%	0	0%
Organisation reps	4	1	25%	1	25%	1	25%	1	25%
TOTALS	1033	156	15%	547	53%	237	23%	93	9%

8.10 Option A and B: The questionnaire and trends from the comments support the delegation of both Selective Licensing being on average 58.92% and Additional Licensing city wide being 51.25%

8.11 Option A and C: The combination of the selective licensing and the designated areas for Additional Licensing is not supported by analysis of the data. The fear expressed in comments is that by targeting of a designated area for additional licensing will move the issue of smaller Houses in Multiple Occupation being moved to areas which are not within the designation and so spread to other areas of the City the growth of smaller Houses in Multiple Occupation

8.12 The table below provides an analysis of the responses for the preferred options being accumulated from all responses. The totals are where there was an opportunity for

respondents to questions in the questionnaire and included questions for mandatory licensing of HMOs and is the total responses received from the questionnaire.

- 8.13 Additional Licensing within Leicester for Citywide had the most support with 34% of respondents and citywide Selective Licensing with 33% of respondents although this was not an option proposed by council as it did not meet the tests required for declaring a designation for citywide licensing and would also need support from the Secretary of State.
- 8.14 The Leicester residents indicated support of 38% for citywide selective licensing and 38% additional licensing citywide and private tenants indicated support of 36% for citywide selective licensing and 35% additional licensing citywide. Whilst private landlords support of 32% for targeted selective licensing and 35% targeted additional licensing.

Preferred option response stats									
	Total	Selective targeted		Selective city-wide		Small HMO targeted		Small HMO city-wide	
Private tenants	315	42	13%	113	36%	51	16%	109	35%
Leicester residents	990	121	12%	379	38%	114	12%	376	38%
Private landlords	299	96	32%	35	12%	106	35%	62	21%
Letting / managing agents	2	1	50%			1	50%		
Local business	9	2	22%	2	22%	1	11%	4	44%
Charities	1							1	100%
Organisation reps	7	1	14%	2	29%	2	29%	2	29%
TOTALS	1623	263	16%	531	33%	275	17%	554	34%

- 8.15 No scheme being adopted: This would appear not to be an option due to the strong support for a scheme or schemes to be brought into force. There is a concern from the data that there are issues within the private rented sector that the imposition of discretionary licensing can resolve. The setting of minimum rental standards will protect tenants and ensure the management of the private rented sector is met.

9. Conclusions and Recommendations

- 9.1 The consultation exercise into the suitability of Leicester City to adopt discretionary licensing within the city was extensively and robustly undertaken although no personal physical meetings were held the Councils approach due to the Coronavirus pandemic

was robust and the undertaking to consult all residential properties in the city and through engaging with the private sector through the estate, lettings and managing agents ensured Landlords were able to engage with the process and put their point of view across. The holding of virtual meetings has led to a cohort of landlords working with the Council to address issues within the private rented sector.

- 9.2 It is recommended that Option A is adopted Selective licensing within areas identified as Stoneygate Ward parts of the Saffron Ward and Parts of Westcotes, Fosse, Braunstone Park & Rowley Fields Wards. (Covering less than 20% of Leicester's geographical area and less than 20% of privately rented homes in the local authority area)
- 9.3 Although there is support for Option B it is proposed that the Council continue with the work to identify all mandatory licences and the use of the Article 4 direction to limit the number of smaller HMOs and to establish the efficacy of the approach the Council is currently undertaken before proceeding with any Additional Licensing schemes
- 9.4 The proposed discounts listed below be accepted:
 - 9.4.1 "early bird applications be applied up to 6 months after the commencement date at 10% discount
 - 9.4.2 Charities being discounted by 10 % up to the late penalty date.
 - 9.4.3 Accredited landlords discounted by 10% up to the late penalty date
 - 9.4.4 An EPC rating of C or above discounted by 10% up to the late penalty date
 - 9.4.5 Landlords with multiple applications be discounted after the first application by 10% up to the late penalty date.
- 9.5 The maximum number of discounts applicable to a licence will be two.
- 9.6 A late penalty fee be added to the licence fee of 20% for those properties that are not registered within 18 months of the commencement date of the scheme/s.