

	REPORT TO CABINET TO BE HELD ON 12 APRIL 2016	
	Key Decision	NO
	Forward Plan Ref No	
Corporate Priority Aim 3 – Creating Healthy and Vibrant Communities	Cabinet Portfolio Holder	Cllr B Chatt Cabinet Member for Public Health and Housing

REPORT OF: DIRECTOR (TW) – 16/98

**WARDS AFFECTED: CASTLE, NORTH BAY, CENTRAL &
RAMSHILL**

**SUBJECT: CONSULTATION ON SELECTIVE LICENSING OF
PRIVATE RENTED ACCOMMODATION**

RECOMMENDATION (S):

Cabinet is recommended to:

- 1) Note the evidence base to support the introduction of Selective Licensing of private rented accommodation within certain parts of the Borough.
- 2) Give agreement to the consideration of a phased approach to the introduction of Selective Licensing in three separately designated areas within the Borough. These areas are:

Area A – Scarborough North (made up of parts of Castle and North Bay Wards)

Area B – Scarborough Central (made up of parts of the Castle and Central Wards)

Area C – Scarborough South (made up of parts of the Ramshill Ward)

Plans of these proposed areas are included within **Appendix A** of the report.

- 3) Approve a business case for the first of these areas relating to Area A/ Scarborough North. (**Appendix B**) and instruct officers to commence a detailed programme of public consultation on this business case in accordance with the consultation plan as set out within the report (**Appendix C**).

- 4) Bring a further report to Cabinet on conclusion of this exercise. That report will inform Cabinet of the outcomes of this consultation along with further recommendations as required.

REASON FOR RECOMMENDATION

Selective Licensing is a useful tool to help better regulate management standards within private rented accommodation. Its proposed introduction could help complement and support the Council's wider vision for the regeneration of the Borough.

Taking forward any such scheme needs to be carefully considered and various affected parties must be fully consulted. The need, justification and potential benefits of such a scheme need to be considered as part of a business case. In addition a comprehensive programme of consultation is required before any final decision can be made.

HIGHLIGHTED RISKS:

See attached risk matrix

1. INTRODUCTION

- 1.1 In June 2015 Cabinet considered report **15/148**. That report provided Cabinet with an overview of the provisions within the Housing Act 2004 that allow Local Authorities to introduce Selective Licensing of private rented accommodation.
- 1.2 That report explained what Selective Licensing is and the potential benefits of this approach as a tool to support the Councils broader vision to regenerate the Borough. Members will recall that:
 - Selective Licensing requires all landlords operating within a designated area to operate under the terms of a licence awarded by the Local Authority.
 - The period of designation lasts for 5 years.
 - Licenses typically include a variety of mandatory conditions and discretionary conditions aimed at ensuring properties are safe, meet basic standards and that they are managed in a satisfactory way.
 - Licensing conditions provide the Local Authority with an additional tool to help better regulate privately rented accommodation. Licensing enables focus to be placed on proactive, preventative working to help uplift accommodation standards.
 - Operating without a licence or failure to adhere to licence conditions is a criminal offence and the Council has powers to fine and prosecute landlords where needed.
 - Costs associated with the administration of a Selective Licensing scheme are recouped via fees charged to landlords. Typically fees range from £600

to £1000 depending on the size of the property. Discounts are generally awarded for accredited landlords and landlords who own multiple properties.

- Costs associated with enforcement activity cannot be covered via fee income. Nor can Councils use fee income to offset costs (and make savings) in other areas.
- Effective schemes need strong levels of co-operation and partnership between other key organisations, in particular the Police and Fire and Rescue Services.

1.3 Members will recall that initial discussions have already been held with key partners including the Police, Fire and Rescue Service, Public Health, Scarborough and Ryedale Clinical Commissioning Group and Yorkshire Coast Homes regarding the need for and merits of this potential proposal. Feedback received was very positive. The model fits well with existing multi-agency working. The concept of Selective Licensing and the potential benefits it could bring has been endorsed by the Public Service Executive who have given their “in principle” support to the idea.

1.4 Further to that report Cabinet gave agreement to look at the business case for Selective Licensing in areas of the Borough that have high levels of private rented accommodation, poor housing conditions and that suffer from high levels of deprivation and crime and anti-social behaviour.

1.5 This report sets out that broad business case for selective licensing. It sets out the evidence base for its introduction within pockets of the Borough and explains why its introduction in other areas could not be justified. The report seeks agreement in principle (subject to full public consultation and a further report) to introduce a programme of Selective Licensing within three separate areas within the Borough. These areas are:

Area A – Scarborough North (constituting parts of the Castle and North Bay Wards)

Area B – Scarborough Central (constituting parts of the Castle Ward and Central Wards)

Area C – Scarborough South (constituting parts of the Ramshill Ward)

Maps of these three proposed areas of designation are included within **Appendix A** of this report. It is important to note that at this stage these areas are not yet finalised but are included to provide a broad guide of potential areas. Refinement of the proposed areas will form a key part of the public consultation exercise.

1.6 The proposed introduction of Selective Licensing is no small task and has some significant implications. A staged approach is required to ensure that any proposed scheme it's implemented in an effective and meaningful way. The report therefore proposes a phased approach is considered with Area A being taken forward initially (e.g. full implementation from April in 2017), Area B following in 2018 and Area C in 2019. Each of the three proposed areas

therefore will require a separate formal public designation to be considered and agreed.

- 1.7 Government Guidance, *Approval steps for additional and selective licensing designation in England* sets out the process that Local Authorities should follow in order to confirm whether designations are appropriate. Given three separate designations are proposed, each of the three proposed areas shall requires its own separate detailed business case to be work up along with a detailed programme of public consultation. This consultation is essential in order to help both inform both the principle and detail of the scheme.
- 1.8 The first of these separate business cases (relating to Area A) has been developed (**see Appendix B**). This report seeks agreement to commence a detailed public consultation of this business case with a range of stakeholders including tenants, residents, businesses, landlords, community groups and key voluntary and public sector bodies. A copy of the proposed consultation plan for this exercise can be found in **Appendix C** of this report. It is proposed that this consultation exercise runs over a 12 week period commencing in May 2016. Outcomes from the consultation shall be reported back to Cabinet in September 2016 in order to inform a decision to proceed and the final scope of the scheme.
- 1.9 It is proposed that a further business cases for Areas B & C are worked up for consideration by Cabinet in 2017 and 2018.

2. CORPORATE AIMS/PRIORITIES AND THE COMMUNITY PLAN

- 2.1 Contributes to Aim 3 of the Council's Corporate Plan, 'Creating Healthy and Vibrant Communities'.

3. BACKGROUND AND ISSUES

- 3.1 The Housing Act 2004 allows Local Authorities to introduce Selective Licensing of private rented accommodation within designated areas. Local Authorities are able to designate areas within a district, subject to the proposed area meeting one or more of the following conditions:
 - The area is one which is experiencing (or is likely to experience) low housing demand and the local housing authority is satisfied that 'designating' an area will, when combined with other measures, lead to improved social and economic conditions in the area.
 - The area is experiencing a "significant and persistent" problem caused by anti-social behaviour and that some or all private landlords in that area are not taking appropriate action to tackle this. Moreover, the designation in combination with other measures would lead to a reduction in or elimination of the problem.

- 3.2 In June 2015 Cabinet considered report **15/148**. That report highlighted that amendments to the General Approval of the Housing Act have expanded the criteria for selective licensing to cover areas experiencing “*poor property conditions, large amounts of inward migration, a high level of deprivation or high levels of crime.*” The report also highlighted that Secretary of State Approval is now required where Authorities propose to introduce scheme *that incorporate more than 20% of their geographical area or would affect more than 20% of the privately rented homes within the local authority area.*
- 3.3 Further to this change, Cabinet asked officers to begin looking in more detail at the potential benefits and deliverability of such a scheme. Cabinet instructed officers working up a business case for the potential introduction of selective licensing within parts of the Borough that meet the amended criteria.

4.0 ASSESSMENT – THE CASE FOR SELECTIVE LICENSING WITHIN THE BOROUGH

Methodology Used

- 4.1 Officers have undertaken a detailed assessment of the whole Borough to look at the case for selective licensing. A range of data has been considered to inform this assessment including the use of census data, Index of Multiple Deprivation rankings, housing and environmental health records, Police/ Safer Communities data and Council Tax/ Housing benefit records.
- 4.2 An area based approach has been adopted through the use of the Governments recognised Lower Super Output Areas (LSOAs) and a further more detailed street level analysis has been possible using Census Output Area (COA) data.
- 4.3 The assessment had been undertaken in two key stages. An initial assessment looked at every LSOA within the whole Borough. A range of indicators were considered including the percentage of households living in privately rented accommodation, overall levels of deprivation from Index of Multiple Deprivation (IMD) scores along with IMD domains for Crime and the Living Environment and census population change data.
- 4.4 This high level assessment enabled officers to narrow down the list of potential areas. A more detailed assessment was then undertaken of this smaller number of LSOAs using a wider range of indices including:
- The percentage of households living in privately rented accommodation: Census data 2011
 - Population Change: 2001-2011: Census data 2001 and 2011
 - The percentage % of households: more than 2 deprivation indicators: IMD 2010
 - Housing Enforcement: SBC Private Sector Housing : 2013-2015
 - Environmental Nuisance actions: SBC Environmental Health: 2013-2015
 - All recorded crime incidents: SBC Safer Communities: 2013-2015

- ASB incidents: SBC Safer Communities: 2013-2015

Summary of Assessment

- 4.5 The assessment has revealed that there are 5 LSOAs (Castle 006B and 010A, Ramshill 010B and 010D and North Bay 006D) within the inner urban area of Scarborough, where there is overwhelming evidence to justify the designation of a Selective Licensing scheme. There were almost 2,600 privately rented households across these 5 LSOAs as at the 2011 census.
- 4.6 The assessment has also showed that there are further areas that whilst not quite meeting the criteria for Selective Licensing at this time, should be kept under review as potential future areas for designation. These areas are Whitby West Cliff 001C, Central 008C and Castle 006A. These areas have relatively high proportions of private rented accommodation however at the present time there would not be sufficient justification for inclusion within a selective licensing designation.
- 4.7 These additional areas will be subject to on-going review and should circumstances significantly change, then future consideration will be given. It is however proposed that a small part of the Castle 006A is to be included within the initial Scarborough North designation and a small part of Central 008C is to be included within the later Scarborough Centre designation.
- 4.8 In relation to the five LSOAs within the Castle, North Bay and Ramshill areas, key findings from the assessment are:
- Levels of private sector housing within these five areas are considerably higher than the national or Borough average. Within Castle LSOA 010A for example, over 61% of all accommodation in that area is privately rented. In North Bay 006D over 57% is privately rented. In all five areas the private rented sector makes up over 50% of the total housing stock. This compared to a Borough average of just 19%.
 - The Council's own housing enforcement records show that these areas require the highest level of intervention from the Council to deal with complaints from tenants. Much of the accommodation within these areas is cold, poorly heated and insulated and poorly managed.
 - All five areas rank poorly in terms of deprivation. The IMD ranking for these areas shows that North Bay: 006D, falls within the bottom 3% of all LSOAs nationally, Castle: 006B the bottom 2%, Castle 0010A the bottom 12%. The Ramshill SOAs 0010B and 0010D fall into the bottom 15% and 25% respectively.
 - All five of the identified LSOAs fall within the most deprived 1% of areas in relation to the IMD ranking of the Living Environment (indoors) domain. This IMD domain ranks areas in terms of the quality of housing conditions.

- The population within these areas is growing at a much faster rate than the rest of the Borough. Overall the population within these areas increased by 17.8% between 2001 and 2011. This rate of increase is significantly higher than the rest of the Borough over the same period (2.4%) and for the rest of the country (7.9%). The population within Castle: 006B and North Bay: 006D increased by over 25% over the 10 year period.
- Much of this population increase is due to inward migration from non-British migrant workers and BME groups. From 2011, the overall population within these five SOAs increased by 1255, of which 969 class themselves as coming from White non-British or other BME groups. This accounts for 77% of the population increase in the area.
- Levels of crime and anti-social behaviour within these areas are also relatively high, with the Castle and North Bay LSOAs falling within the bottom 10% nationally in terms of IMD crime rankings. Levels of Crime and ASB within these two wards remain higher than the rest of the Borough even when incidents relating to the night-time economy and retail sectors are disregarded. The Ramshill LSOAs fall within the bottom 30% in terms of IMD crime rankings. .

Proposed Areas for Designation

- 4.8 Undertaking selective licensing of over 2600 properties in one single designation would prove very challenging given the scale of resources that would be required to carry it out effectively.
- 4.9 As a result it is proposed that these 5 LSOA's should be split into 3 separate designations of approximately 700-1000 privately rented households within each area. It is proposed that these areas are:

Scarborough North: This would cover the North Bay 006D and part of Castle 006B LSOAs. It would also cover a very small part of the adjoining Castle 006A LSOA. This would comprise of approximately 930 privately rented properties and would be the initial area to be proposed for Selective Licensing designation.

Scarborough Central: This would cover the Castle 010A and remainder of Castle 006B LSOAs. It would also cover a small part of the adjoining Central 008C LSOA. This would comprise of approximately 700 privately rented properties and would be the second area to be proposed for Selective Licensing designation. It is intended that this designation will not be formally proposed until at least 12 months following the initial designation and a separate business case will be presented to support the designation of this area.

Scarborough South: This would cover the Ramshill 010B and 010D LSOAs and could comprise of approximately 1000 privately rented properties. This would be the third area to be proposed for Selective Licensing designation. It is intended that this designation will not be formally proposed until at least 24

months following the initial designation and a separate business case will be presented to support the designation of this area.

5.0 BUSINESS CASE AND CONSULTATION PLAN

5.1 Within its guidance document *Approval steps for additional and selective licensing designations in England* the Government sets out the procedural steps that need to be followed prior to any potential designation.

5.2 It is best practice for local authorities to prepare a business case setting out the reasons for a designation in a given area. A business case for Area A – North Scarborough has been developed (**Appendix B**). This business case sets out:

- The detailed case for selective licensing within the area including the benefits of such a designation.
- A detailed profile of the proposed area including the evidence base needed to justify a designation.
- The strategic context, including an explanation of how selective licensing in this area supports and compliments wider initiatives.
- An explanation as to how the scheme would be delivered including the conditions for licensing that would be used.

5.3 A plan has been developed to support the consultation process (**Appendix C**). This plan sets out the range of residents and organisations to be consulted. In summary these include all local residents and businesses within the proposed areas; all private landlords, letting agents and estate agents who own or manage property within the proposed areas; key public sector stakeholders; community and voluntary groups; and local ward members.

5.4 It is proposed that consultation takes a variety of formats including a questionnaire, one to one meetings with key stakeholders and presentations to community groups. It is proposed that the consultation period runs from May onwards for a period of 12 weeks.

5.5 At the end of the consultation period, Cabinet will be provided with a further report summarising the outcome of the exercise. Cabinet will then also be asked to take a decision on whether to approve the implementation of a Selective Licensing Scheme for the area.

6.0 SUMMARY OF THE BENEFITS OF SELECTIVE LICENSING

6.1 To support the development of the assessment into the case for Selective Licensing officers and the Portfolio Holder for Public Health and Housing visited Blackpool Council to see the benefits of their existing scheme. This visit was extremely informative and has provided a good insight into both the benefits of their scheme and the day to day operational mechanics of how it works. Key feedback received from Blackpool Council was that:

- Standards of management within their area are improving following the introduction of their existing schemes. Indeed Blackpool are seeking to take forward a third designation this year.
- Key to the success of their scheme has been very close partnership working between agencies.
- Blackpool Council embraced a 'single residential enforcement' model to support the delivery of their scheme. In essence they have created a single dedicated unit of officers who have a full remit of powers at their disposal to deal with all issues relating to enforcement activity within residential dwellings (e.g. these officers enforce licensing conditions and have full use of housing, environmental health, planning and ASB tools to undertake their roles).
- There has been little evidence in Blackpool that households are being displaced or that the scheme has had a knock on impact on homelessness within their area.
- The scheme has worked for them as it has complemented a much broader range of initiatives.

6.2 Members will also recall from report **15/148** that a variety of studies have been undertaken to evaluate the impact of Selective Licensing schemes including an *Evaluation of the impact of HMO and Selective Licensing*. Building Research Establishment 2010

6.3 Key findings from that evaluation were that:

- Larger than average increases in house prices occur in areas where a Selective Licensing scheme operates
- It helps to safeguard investment in regeneration by dissuading the purchase of property by short term investors with little interest in providing decent homes for people in the local community.
- There are indications that standards of management improve and that landlords are compelled to 'raise their game'.
- It helps to control anti-social behaviour. Landlords are compelled to provide written tenancy agreements together with tenant referencing and vetting.
- Licensing works best when effective joint working arrangements within Councils and between agencies are in place.
- Schemes are most effective where detailed property inspections are undertaken before awarding a licence and where the enforcement of standards is dealt with robustly.
- There is little evidence from the research that licensing simply displaces problems into neighbouring areas.

6.4 Within the five LSOAs identified from the assessment, the level of deprivation and poor housing conditions should not be underestimated and is very much at odds with the Council's wider aspirations for the economic regeneration of Borough. Selective Licensing along with a robust and co-ordinated approach to enforcement could be a very effective way of improving conditions, encouraging inward investment and driving up standards.

- 6.5 The assessment undertaken shows a correlation between high levels of private sector housing, poor housing conditions and high levels of deprivation. High concentrations of economically inactive people living in a relatively small area contribute toward the overall spiral of deprivation. The private rented sector provides a 'surrogate' form of affordable housing for people who would otherwise struggle to access the housing market. In return however the quality of accommodation being offered (and paid for through housing benefit subsidy) is too often of a poor standard.
- 6.6 Within the areas highlighted the scale of deprivation, crime and anti-social behaviour and poor housing conditions clearly demonstrates that there is a strong case to introduce a scheme for Selective Licensing as part of a wider strategy to support improvement.
- 6.7 Selective Licensing would require landlords and their agents to be better equipped to deal with the management of properties and the enforcement of tenancy conditions. The scheme could place much more emphasis on the adoption of a proactive, partnership approach between landlords and statutory agencies to effectively tackle anti-social behaviour.
- 6.8 Such as scheme could also enable issues to be dealt with in a more planned and preventative way, providing an opportunity for a proactive approach that will reduce the potential for landlord and tenant conflict by pre-empting problems such as disrepair before they escalate and require other forms of Council intervention. This shift to a more proactive and preventative approach cannot be achieved through the use of existing responsive enforcement powers or through the use of discretionary and voluntary accreditation schemes.
- 6.9 Historical initiatives and interventions on their own have been insufficient to help uplift this area. For example schemes to license HMOs, whilst very important, only covers a small proportion of the total number of private sector dwellings. Within the Castle, North Bay and Ramshill areas only 89 HMOs in total are required to operate with a license out of over 2500 private rented dwellings in total.
- 6.10 Historically the Council has introduced a range of wider initiatives to support landlords, including discretionary improvement grants, landlord accreditation schemes, and enhanced landlord liaison arrangements via the landlord's forum. Again whilst these kinds of initiatives have proved to be very useful, on their own they are insufficient to ensure lasting and meaningful improvements.

7.0 THE DELIVERY OF A SELECTIVE LICENSING SCHEME

- 7.1 An overview of the proposed scheme for Area A is highlighted within the Business Case (**Appendix B**). Included within that overview are some draft Licence Conditions that the Council would seek to introduce along with an explanation as to how the scheme would be rolled out within the area.

- 7.2 The biggest implication to the Council of introducing Selective Licensing within the areas identified is resourcing. The Council does not have the capacity to effectively introduce a scheme without additional resources. Any effective scheme will require a programme of inspection as part of the licensing application process along with an on-going programme of routine inspections throughout the licence period. Services such as landlord support and advice would need to be bolstered. Additional staff would therefore be required, the cost for which would need to be met via fee income. The number of additional staff required and the level of fee income levied would of course vary and depend on the scale and scope of any future scheme.
- 7.3 It is estimated that the total cost of operating a scheme within each of the three areas will be in the region of £350K per designation. This estimate is based on the number of licences that are estimated to be issued in each area and the level of resources required to deliver the scheme. Whilst the exact detail of fees to be charged cannot be determined at this stage, in order to meet the scheme running costs, it is estimated that the Council will be looking at an average cost of £750 per licence. Subject to the outcomes of public consultation, it is also anticipated that fees shall be structured in such a way as to ensure that fees for individual occupancy properties will be less than those for larger multi-occupied properties. A range of discounts shall also be proposed, including discounts for accredited landlords and discounts for landlords who own multiple properties.
- 7.4 It is important to note that that if a scheme was to be introduced in a meaningful way and if it was to meet its intended goal of improving housing conditions and management standards, then it would certainly result in increased levels of enforcement activity in the short term. The cost of any additional enforcement activity cannot be paid for via fee income and would need to be met using existing resources.
- 7.5 The capacity of existing staffing resources clearly needs to be carefully considered. In January 2016 the Director (TW) asked officers to undertake a full and comprehensive review of Environmental Health Services. A scoping document for this review has been developed and a detailed improvement plan being worked up.
- 7.6 The purpose of this review is to increase efficiency through the use of new technology/ new ways of working and to streamline work process and reduce waste work or duplication between teams and to improve outputs and outcomes for residents. A pre-requisite of that review is to create a platform to enable Selective Licensing to be considered. The outcome of this review is likely to require changes to the roles of responsibilities of some staff along with potential structural changes within and between different enforcement functions of the Council. A draft proposed structure has been developed for the service that shall be subject to refinement following full consultation with staff and unions.
- 7.7 This draft structure proposes a similar enforcement model to that in operation in Blackpool, e.g. the creation of a single team to deal with all aspects of

enforcement activity within residential dwellings. It is proposed that officers within this team are given additional flexibility to deal with a wider range of issues ranging from housing enforcement, environmental health enforcement, planning enforcement and tackling ASB. The benefits of such an approach are that it reduces the potential for double handling or duplication between different teams and enables officers to deal with a range of issues promptly. Such an approach would strongly complement the introduction of selective licensing, especially where integrated into existing multi-agency joint working arrangements.

- 7.8 As highlighted by Blackpool and the national evaluations, key to the effectiveness of Selective Licensing schemes is the need for close and integrated partnership working between key agencies, particularly the Council and the Police and the Fire and Rescue Service. In addition successful schemes tend to be those supported by a wide range of organisations (including health, social care and voluntary sector support providers) who can feed into 'problem solving' relating to vulnerable or chaotic individuals within the area.
- 7.9 At the local level the infrastructure and arrangements to support this strong partnership approach are already in place through the work of the co-located, multi-agency team that was set up to work in partnership to help uplift the Castle and North Bay areas. This team has now been operational for some months and consists of a partnership between the Council's Community Safety, Environmental Health/Housing staff, the Police and the Fire Service. This new joint working model is already evolving and expanding, with core partners seeing the benefits of the multi-agency approach in dealing with a range of complex and interrelated issues and as an effective way of delivering core services. The Neighbourhoods Policing Team for the central area are now co-located with the team, embedding the partnership approach as a normal way of delivering neighbourhood policing services.
- 7.10 A key focus of that team is to shift resources away from responding to problems as they arise to dealing with issues in a planned and proactive way, using a joint problem solving approach. One of the key aims of the team is to improve the physical appearance of the area and the quality of the housing in the area, in particular to encourage effective management of properties, in recognition of the correlation between poor quality housing and wider issues such as deprivation and crime.

8.0 IMPLICATIONS

8.1 Policy

There are no new policy implications for the Council that arise from this report at this time.

However following public consultation, should the Council decide to introduce a scheme for the Selective Licensing then this would require an agreed policy to be worked up and approved. This policy would cover the key elements of

the process including an agreement on the area of designation, the adoption of licensing conditions and the setting of a fee structure.

8.2 Financial

There are no financial implications for the Council that arise from this report at this time. However should the Council decide to introduce Selective Licensing then this would have some key financial implications for the Council.

The costs of administering Selective Licensing (primarily additional staffing costs) would need to be recouped through an administration fee levied to landlords. Fees typically are in the region of £600 per individual property and up to £1000 for a 'block' of properties.

Fee income charged would need to be at a sufficient level to pay for additional staffing costs of administering such a scheme and would of course vary depending on the scale of any proposal

It is estimated that the cost of running such a scheme shall be in the region of £350K per designation and that average levels of fee income shall be around £750 per property. A range of discounts are proposed.

It is also important to note that costs associated with enforcement activity cannot be recouped through licence fees.

A further key financial implication is that the introduction of such a scheme would in year one require an element of 'front funding'. This cost would be recouped via fee income levied. Should the Council decide to proceed with a scheme from April 2017, then provision this front funding would need to be included within the Council's financial strategy for 2017/18.

8.3 Legal

The Housing Act 2004 enables Local Authorities to introduce Selective Licensing in certain circumstances.

Should the Council on consideration of a business case decide to pursue a Selective Licensing scheme then there are various steps that it would need to take including a full and comprehensive consultation and the issuing of a public notice of designation.

8.4 Equalities and Diversity

No implications at this time.

8.5 Staffing Issues

No implications at this time. However the introduction of Selective Licensing would have some key staffing implications should it be taken forward.

The Council does not have the capacity to take forward such a proposal with existing staffing resources. Additional staff would be required to administer the scheme (the number of officers would of course vary depending on the scale of any proposal). The additional cost associated with extra staff should theoretically be covered via fee income.

It is also very important to note that any effective scheme for selective licensing is likely to generate a significant level of additional enforcement activity for the Council, however the cost of this additional activity cannot be met via fee income.

The staffing/capacity implications of a scheme are therefore being considered as part of a wider review of environmental health services. Creating a platform for the introduction of Selective Licensing is being considered as a pre-requisite of this review.

Options around the creation of a single residential enforcement unit are being considered.

In addition any scheme would require strong partnership arrangements with other agencies (the Police and Fire Service) for it to be successful. The working arrangements of the co-located team would need to be embedded into the Council's core operational arrangements.

8.6 **Planning Issues**

No implications.

8.7 **Environmental, Sustainability and Crime and Disorder Issues**

The introduction of Selective Licensing would have a positive impact in terms of environmental, sustainability and crime and disorder issues. The proposed scheme is intended to help contribute to tackling these issues in a planned way by uplifting standards of housing management and through close partnership working between key agencies.



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Background Papers: None

IF YOU HAVE ANY QUERIES ABOUT THIS REPORT OR WISH TO INSPECT ANY OF THE BACKGROUND PAPERS, PLEASE CONTACT ANDREW ROWE ON 01723 383598 OR E-MAIL andrew.rowe@scarborough.gov.uk

RISK ASSESSMENT

Risk Ref	Date	Risk	Consequences	Mitigation	Current Risk Score	Target Score	Service Unit Manager/ Responsible Officer	Action Plan
1	April 2016	The consultation process is inadequate and leaves the Council vulnerable to challenge	Potential judicial review	Adoption and implementation of comprehensive consultation plan	A1	A1	Housing Manager	

Glossary of Terms

Risk	An event which may prevent the Council achieving its objectives
Consequences	The outcome if the risk materialised
Mitigation	The processes and procedures that are in place to reduce the risk
Current Risk Score	The likelihood and impact score with the current mitigation measures in place
Corporate Objectives	An assessment of the Corporate Objectives that are affected by the risk identified.
Target Risk Score	The likelihood and impact score that the Council is aiming to achieve
Service Unit Manager	The Service Unit or Officer responsible for managing the risk
Action Plan	The proposed actions to be implemented in order to reduce the risk to the target score

Risk Scoring

Impact	5					
	4					
	3					
	2					
	1					
			A	B	C	D
		Likelihood				

Likelihood:

A = Very Low
 B = Not Likely
 C = Likely
 D = Very Likely
 E = Almost Certain

Impact

1 = Low
 2 = Minor
 3 = Medium
 4 = Major
 5 = Disaster