

Manchester City Council Report for Information

Report to: Economy Scrutiny Committee – 9 December 2021

Subject: Selective Licensing – Results of Public Consultation

Report of: Strategic Director (Neighbourhoods)

Summary

This report provides the Committee with information on the recent consultation exercise completed in areas within Gorton and Abbey Hey, Harpurhey, Clayton and Openshaw to establish whether the declaration of a Selective Licensing scheme is required in these areas.

Recommendations

The Committee is requested to:

1. Comment on the consultation findings for the introduction of selective licensing for privately rented properties in the identified areas of Ladders - Gorton and Abbey Hey, Hyde Road - Gorton and Abbey Hey, Trinity - Harpurhey, and Ben Street area - Clayton and Openshaw.
 2. Note the areas detailed in the maps (appendix one) for designation, together with the licence conditions (appendix two) under the Housing Act 2004 Part 3 Selective Licensing.
 3. Note that, following the decision to introduce a selective licensing scheme, a statutory public notification period of three months is required prior to the implementation of the scheme.
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Wards Affected: Gorton and Abbey Hey, Harpurhey, Clayton and Openshaw

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

Selective licensing aims to improve property conditions which includes issues such as damp and draughty homes. Repairs that improve the thermal performance of homes within the selective licensing area will make a contribution towards achieving the zero carbon target for the city .

The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (as amended) set the minimum energy efficiency rating for all private rented properties and make it unlawful for properties with an energy performance rating of F or G to be let out as a private tenancy.

As part of Selective Licence application landlords must provide a valid Energy Performance Certificate (EPC) to allow the energy efficiency rating to be checked. As

set out in the councils Domestic Private Rented Property Energy Efficiency Policy. Landlords that rent out a property with an EPC rating below an E could be fined between £2,000 and £5,000. Penalties between £1,000 and £5,000 also apply where a landlord has registered false or misleading information to the PRS Exemption Register.

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Good quality and professionally managed private rented homes will contribute to the sustainability of neighbourhoods, ensuring residents have a settled and stable home in which to live and thrive.
A highly skilled city: world class and home grown talent sustaining the city's economic success	The existing homes and improved neighbourhoods will be well connected to employment opportunities and schools
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Increasing the supply of good quality affordable homes for private rent will provide the opportunity for Manchester residents to raise their individual and collective aspirations
A liveable and low carbon city: a destination of choice to live, visit, work	The right mix of quality energy efficient housing is needed to support growth and ensure that our growing population can live and work in the city and enjoy a good quality of life.
A connected city: world class infrastructure and connectivity to drive growth	This approach recognises the importance a balanced housing offer plays within a well connected city and the neighbourhoods within it. It seeks to create neighbourhoods where residents will choose to live and where their housing needs and aspirations are met

Full details are in the body of the report, along with any implications for

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The initial required budget for the consultation process and administration of the scheme is £91,000 in total for the 4 areas. Costs in relation to the administration, management and licence processing of the scheme will be fully recovered via the

licence fee subject to the scheme proceeding. If the designation does not go ahead some of these costs will need to be funded by the Council

Financial Consequences – Capital

There are no direct capital consequences to the Council arising from this report.

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

- Manchester City Council Private Rented Sector Strategy 2020-2025
- Review of Selective Licensing Pilot areas- Neighbourhoods and Environment Scrutiny Committee – 4 March 2020
- Extension to Selective Licensing Schemes - Public Consultation – Executive, 9th September 2020
- Selective Licensing Pilot report to Neighbourhoods and Environment Scrutiny Committee 21 June and Executive 29 June 2016
- Selective Licensing report to Neighbourhoods and Environment Scrutiny Committee 6 Dec 2016
- The cost of poor housing in England 2021 - Building Research Establishment Briefing paper by Helen Garrett, Molly Mackay, Simon Nicol, Justine Piddington, Mike Roys

1.0 Introduction

The Housing Act 2004 gives the Council the power to introduce the licensing of private rented homes within a designated area, with the aim of improving the management and condition of these properties to ensure they have a positive impact on the neighbourhood.

- 1.1 The majority of landlords in Manchester provide a quality service for the growing number of residents who cannot, or do not want to, buy a home. However, there are some landlords who provide poor quality housing and exploit the most vulnerable people in the city. These poor housing conditions give rise to particular concern for the longer-term health consequences of living in unsafe, damp, mouldy properties with poor thermal comfort. A recent report by the Building Research establishment (BRE) "*The Cost of Poor Housing in England*" found that poor housing in England could be costing the NHS £1.4 billion a year in treatment costs with more than half of this (£857m) attributed to defects which expose residents to excess cold, with the second biggest cost to the NHS being from hazards causing people to fall and injure themselves. Both issues are particularly dangerous for the most vulnerable in society including older people and families with young children. Lack of security and higher rents are significant issues for tenants along with poor property conditions.
- 1.2 There are a small number of neighbourhoods with some very poor-quality landlords, crime, and high levels of deprivation. In some instances, these landlords receive significant sums of public finance in terms of housing benefit, representing very poor value for money for the public purse. Properties in this part of the market are characterised by disparate ownership, varied management and issues linked to property condition and sometimes criminality. They are often owned either by absentee landlords or landlords who simply fail to respond when tenants report problems.
- 1.3 The Executive received a report on 29 June 2016 recommending that, subject to the outcome of a public consultation, the Council pilot the use of selective licensing (SL) in 4 areas of the city. The consultation for the first pilot area of Crumpsall indicated support for SL and the scheme was implemented in December 2017. Executive also approved three further areas for selective licensing consultation in Rusholme, Moston and Old Moat and these were all subsequently implemented.
- 1.4 The refreshed Private Rented Sector Strategy was reported to the Executive in September 2020. This outlined that the private rented sector in Manchester continues to grow having doubled in size in the past 10 years. The main focus of the Council's Private Rented Sector (PRS) Strategy 2020-2025 is improving property and management standards at the lower end of the market. The strategy sets out how the council will target and focus intervention and proactive enforcement on the very worst properties, landlords and agents to improve neighbourhood with one of the measures proposed to assist in achieving this being further, locally focused, Selective Licensing (SL) schemes, initially in defined areas of Gorton and Abbey Hey, Harpurhey,

Clayton and Openshaw

- 1.5 All privately rented properties within a designated SL area require a licence. There are some exemptions to this, for example, property rented to family members. If landlords in the SL area fail to get a licence or fail to comply with the conditions bound by the licence, the local authority (LA) can issue civil penalties or prosecute the landlord. The Housing and Planning Act 2016 gives local authorities the power to issue a civil penalty charge of up to £30,000 as an alternative to prosecution. Where a prosecution case is taken the fine is unlimited. In extreme cases the LA may issue a management order and assume management control of the property.
- 1.6 Officers have used neighbourhood and local intelligence (as outlined in the September 2020 report to the Executive building on the lessons learnt from the selective licensing pilots as well as reviewing local data on crime, ASB, waste and housing related complaints, along with deprivation statistics, to identify areas that meet the criteria to designate a selective licensing area. This can include;
- Low housing demand or is likely to become such an area
 - A significant and persistent problem caused by antisocial behaviour
 - Poor property conditions
 - High levels of migration
 - High levels of deprivation
 - High levels of crime
- 1.7 A pre consultation for the defined areas in Gorton and Abbey Hey, Harpurhey, Clayton and Openshaw took place between 20 January 2021 to 14 April 2021. A formal consultation period followed which took place between 21 June 2021 to 29 August 2021 (ten weeks). The formal consultation questionnaire which was available online and at drop-in events attracted a total of 44 responses from landlords & managing agents and 384 responses from residents. Overall, 89% of resident respondents expressed support for the designation in all four areas, compared to 68% landlord and managing agent respondents who disagree or strongly disagree with the proposal to introduce selective licensing.
- 1.8 This report presents the findings of the consultation and details how the designation will be considered based on the responses, comments and representations that have been made during this process.

2.0 Consultation - Process and Method

- 2.1 Current legislation requires a consultation period of at least 10 weeks to gauge public opinion and gather feedback before a designation can be considered.
- 2.2 The consultation was delayed due to the pandemic and an initial consultation was launched on the 20th of January 2021 which ran until the 14th of April 2021.

- 2.3 The initial consultation was promoted through a press release, via the City Councils website, social media messages and through local networks as well as by letter to all properties in the proposed areas and owners living at different addresses from those in the proposed areas, with information on the proposals and detailing how feedback could be submitted.
- 2.4 Eight virtual consultation sessions, two in each area, were also held which were attended by 74 people. Virtual group sessions were challenging in that they did not enable all attendees to ask questions and make their views known so these were adapted to one-to-one sessions to improve the experience of those attending and provide more opportunity for views to be captured. While these proved to be more productive and ensured that individuals could ask questions and views could be captured, the attendance rate for these sessions was low.
- 2.5 A total of 197 responses were received, which was low compared to previous selective licensing consultations e.g. the consultation in 2016/17 generated 408 responses.
- 2.6 Feedback was also received that many residents struggled to engage with online sessions and that face-to-face conversations would be much more effective.
- 2.7 A request was also made, by the Landlords and the National Residential Landlords Association, for more detailed and easily accessible information to be made available on the need for the proposed schemes and the licence conditions proposed, so that well informed responses to the consultation could be given.
- 2.8 Given the low response rates and the issues identified with the initial consultation it was decided to treat this as a pre consultation exercise and conduct a separate formal consultation.
- 2.9 The formal consultation took place between 21 June and 29 August 2021 (10 weeks). Undertaking the formal consultation following the easing of Covid restrictions allowed for face to face drop in events, enabling more people to take part as well as enabling door knocking exercises to take place.
- 2.10 The local data, referred to in paragraph 1.6, was refreshed to provide the most recent statistics for each of the areas. This information was contained in the report to the Council Executive, 9th September 2020- Extension to Selective Licensing Schemes - Public Consultation. The refreshed data (Appendix three) was further made available on the SL consultation pages on the council's website, to highlight that the identified areas are all experiencing one or more of the qualifying criteria for SL and may benefit from a designation.
- 2.11 The formal consultation process, detailed below, was completed in all four areas (Ladders and Hyde Road- Gorton and Abbey Hey, Trinity- Harpurhey, and Ben Street area- Clayton and Openshaw) and included:

- Contacting residents, landlords letting agents and businesses directly via letter, explaining what SL is, how it could improve the neighbourhood, how it would operate and how they may be affected
- Consultation with local ward members
- Use of a selective licensing email inbox so written representations or any queries could be directly forwarded to the relevant team
- An online consultation page on the council's website and questionnaire to obtain views
- Two local drop-in events per area at community and sure start centres, attending planned community events in a park and presence at district centres and market areas which were advertised by way of letter and via local networks and social media. This provided an opportunity for landlords, managing agents and residents to have face to face contact with officers to discuss the proposals
- Door knocking exercises asking residents to comment on the consultation.
- Providing opportunities for consultation responses to be submitted at local libraries via access to PCs and hard copies being available
- Meetings with national and regional landlord agencies who support and advocate for a number of private rented sector landlords across the country.
- Email to community guardians and partner organisations
- Consultation launch coverage in the local press, and social media (Facebook and Twitter)
- Comms campaigns with messages posted out to social media including Facebook and Twitter

3.0 Consultation Evaluation – Key Findings

- 3.1 Residents and landlords were asked to share their views on the proposal through a set of questions with opportunities to provide open-text comments.
- 3.2 Following the end of the consultation period, the responses were evaluated to show both the response rates and comments provided. The detail of the evaluation is contained in appendix four. A 2021 SL Consultation Evaluation Report will also be published on the Council's website as part of the designation process. Overall response rates were vastly improved with 428 responses being recorded across all four areas. An independent external analysis was undertaken for the open text responses. This analysis presents a number of findings which were provided in each area for each identified theme. In summary the key findings to the questionnaires are as follows:

4.0 Summary of Responses from Residents

Ladders- Gorton and Abbey Hey

- 4.1 220 residents responded, of which 79% (174) were from the local area. The majority of responses from the residents living in the area were owner occupiers 49% (85) with 32% (56) responses from residents privately renting a property in the area.
- 4.2 Residents were asked to rate a number of issues as big problems, small problems or not a problem at all. The main problem identified was rubbish with 82% of respondents saying it was a big issue, 76% of respondents said fly tipping was a big problem. 73% of respondents felt that poorly managed private rented properties were a big problem. Drug crime and general crime were also identified as significant problems.
- 4.3 When asked about neighbourhood issues directly affecting them and their families in the last 3 years, 66% had directly experienced anti-social behaviour 61% of respondents had been directly affected by poor condition of their house and 45% affected by poor conditions of a neighbouring house.
- 4.4 When asked if private rented properties should be subject to an inspection by the council 96% of respondents said that they strongly agreed or agreed, and 85% felt that landlords should be asked to apply for a licence.
- 4.5 Residents were asked to rate the overall management of the private rented properties in the area. 73% responded to say that management was very poor or poor. 10% of respondents said they did not know.
- 4.6 Residents were asked to what extent they felt private landlords in the area acted responsibly or irresponsibly in letting, managing, and maintaining their properties. 73% responded to say they felt landlords acted irresponsibly or very irresponsibly, 14% said they felt that landlords were responsible or very responsible, 64% of respondents said they did not think landlords took action against tenants causing a nuisance and anti-social behaviour.
- 4.7 93% strongly agreed or agreed that selective licensing would improve the way landlords or letting agents manage their properties, 94% strongly agreed or agreed that selective licensing would improve the condition of private rented properties, 82% strongly agreed or agreed that selective licensing would reduce antisocial and nuisance behaviour, 91% strongly agreed or agreed that selective licensing would improve the area in general.
- 4.8 91% of resident respondents strongly agreed or agreed that the Council should introduce selective licensing, 94% of respondents strongly agreed or agreed this was the right area for selective licensing, 3% disagreed or strongly disagreed with introducing selective licensing, and 3% disagreed or strongly disagreed with the proposed area.

- 4.9 Some residents provided additional statements as part of the online questionnaire:- some examples of the comments made are included below:

There are a lot of decent families living in rented property who are living in bad conditions. The rents are high, and they deserve a proper home. Some landlords put up the rent every two years whether they have good tenants or not. The landlords should be able to get rid of tenants who are on drugs or destroying the property. It should be a two-way commitment. Extend the area to include the whole of Vine Street!! I've lived in Openshaw for 15 years and the area is at its worst in terms of rubbish, noise and anti-social behaviour

The area is really problematic with antisocial behaviour and crime and becoming unpleasant to live in / near. This is unfair on the many people who live in the area and just want to live in a normal area. The council need to do something because it is only going to get worse and more difficult (expensive!) for the council to resolve the longer it is left.

Selective licencing will not change people's behaviour it will just mean more people become homeless putting more pressure on the council to rehouse them as there's no chance landlords will rent knowing there's a chance someone will be on benefits. Not everyone on benefits wreck houses or are anti-social. Doing this will raise rents people can't afford already leaving the council to pick up the pieces.

5.0 Hyde Road- Gorton and Abbey Hey

- 5.1 63 Residents responded, of which 21 were from the local area, however this is to be expected as the geography of the proposed area is along a main thoroughfare which local people pass through and live close by. The majority of responses from residents were owner occupiers 43% (22), with 27% (14) responses from residents privately renting a property in the area (whilst 12 respondents decided not to provide this information)
- 5.2 Residents were asked to rate a number of issues as big problems, small problems or not a problem at all. The main problem identified was rubbish with 77% of respondents saying it was a big problem. 74% of residents said flytipping was a big problem. 59% of respondents felt that poorly managed private rented properties were big a problem, and 54% saying that neglected properties in poor condition was a big problem.
- 5.3 When asked about neighbourhood issues directly affecting them and their families in the last 3 years, 72% said they had been directly affected by the poor conditions of a neighbouring house in the last 3 years. 63% of respondents had been directly affected by poor condition of their own house, and 63% had been affected by anti-social behaviour.
- 5.4 When asked if private rented properties should be subject to an inspection by the council 87% of residents strongly agreed or agreed. 92% of the residents

strongly agreed or agreed that landlords should be asked to apply for a licence.

- 5.5 Residents were asked to rate the overall management of the private rented properties in the area, 73% responded to say that management was very poor or poor. 18% responded to say they felt it was very good or good and 7% said they didn't know.
- 5.6 Residents were asked to what extent they felt private landlords in the area acted responsibly or irresponsibly in letting, managing, and maintaining their properties. 72% responded to say they felt landlords acted very irresponsibly or irresponsibly in letting, managing, and maintaining their properties. While 14% felt landlords acted responsibly. 12% said they didn't know, 55% of residents said they didn't think landlords took action against tenants causing nuisance and anti-social behaviour, 15% felt that they did and 29% said they didn't know.
- 5.7 88% strongly agreed or agreed that selective licensing would improve the way landlords or letting agents manage their properties, 88% strongly agreed or agreed that selective licensing would improve the condition of private rented properties, 74% strongly agreed or agreed that selective licensing would reduce antisocial and nuisance behaviour, 83% strongly agreed or agreed that selective licensing would improve the area in general.
- 5.8 88% of respondents strongly agreed or agreed that the Council should introduce selective licensing, 4% (3) people said they neither agreed nor disagreed, and 6% disagreed or strongly disagreed. 86% of respondents strongly agreed or agreed that this was the right area for selective licensing to be introduced, 8% of people neither agreed nor disagreed and 45 strongly disagreed or disagreed.
- 5.9 Some residents provided additional statements as part of the online questionnaire, some examples of these are given below:

Properties are not maintained which in turn brings down the appearance of the area making it undesirable to prospective tenants, there is also an increasing amount of rubbish lying around added to the amount of fly tipping that has significantly increased in the last 12 months.

Because that means landlords will up the rent to an already high market and none on benefits will be able to afford rent.

I don't think it should be selective, I think all landlords in all areas should require licences for rental properties. I think, in the case of landlords that own multiple properties, if one property fails council inspection then this should mean a review of all properties. I would also propose a form of rent control in "up and coming" areas, or the so-called "problem areas" you're proposing to license landlords - which you say will raise the property value - will become unaffordable for those who already live there. The issue of unlovable housing will simply move to another area, and then another.

6.0 Trinity- Harpurhey

- 6.1 56 Residents responded, of which 50 were from the local area. The majority of responses were from residents renting from a private landlord 45% (25), with (24) 43% of responses from owner occupiers in the area.
- 6.2 Residents were asked to rate a number of issues as big problems, small problems or not a problem at all. The main problem identified was rubbish with 61% of respondents saying it was a big problem, 57% of respondents said flytipping was a big problem. 54% of respondents felt that poorly managed private rented properties were a big problem. People moving in and out of the area often and neglected properties/properties in poor condition were also highlighted as big problems.
- 6.3 When asked about neighbourhood issues directly affecting them and their families in the last 3 years, 66% of respondents stated they had been directly affected by poor condition of their house and 26% had been directly affected by poor condition of a neighbouring house. 66% of respondents said that anti-social behaviour had directly impacted them.
- 6.4 When asked if private rented properties should be subject to an inspection by the council 88% of respondents strongly agreed or agreed. 83% of the respondents strongly agreed or agreed that landlords should be asked to apply for a licence, 2 residents strongly disagreed and 3 neither agreed nor disagreed.
- 6.5 Residents were asked to rate the overall management of the private rented properties in the area. 47% responded to say that management was very poor or poor, 40% of respondents said that management was very good or good.
- 6.6 Residents were asked to what extent they felt private landlords in the area acted responsibly or irresponsibly in letting, managing, and maintaining their properties. 49% responded to say they felt landlords acted very irresponsibly or irresponsibly in letting, managing, and maintaining their properties. While 40% felt landlords acted responsibly 10% said they did not know. 45% responded to say they didn't think landlords took action against tenants causing nuisance and anti-social behaviour, 22% felt that they did take action and 32% said they didn't know.
- 6.7 88% of residents strongly agreed or agreed that selective licensing would improve the way landlords or letting agents manage their properties. 87% strongly agreed or agreed that selective licensing would improve the condition of private rented properties. 76% strongly agreed or agreed that selective licensing would reduce antisocial and nuisance behaviour and 87% strongly agreed or agreed that selective licensing would improve the area in general.
- 6.8 81% of respondents strongly agreed or agreed that the Council should introduce selective licensing, only 9% (5) of people said they neither agreed nor disagreed and 9% disagreed or strongly disagreed. 79% of respondents

strongly agreed or agreed this was the right area for selective licensing to be introduced, 9% of people neither agreed or disagreed and 11% people strongly disagreed or disagreed.

- 6.9 Some residents provided additional statements as part of the online questionnaire; some examples of these are given below

I disagree because charging a fee for licence will not solve the problems you have based on to introduce selective licensing. It's not about money, because not the landlords live in these houses, so the charge should be on occupants of the house or tenants that misbehave. This will make them raise good kids and themselves behaving. It like council tax on occupants. Otherwise, landlords will raise rental fees and some good citizens in our area will suffer or miss out on affordable housing due to a few who cause problems.

It's time for strict regulations to be implemented in this area. For too long, rogue landlords have let their rooms/properties to anyone. The area has deteriorated in every way since I bought my house in 2004. I feel the area needs expanding, the areas with some problems today become the areas with extreme problems tomorrow

With reasons previously stated I feel all landlords should be held accountable for their tenant's behaviour and include in their rental agreement that it won't be tolerated. Unfortunately, they appear not to want to deal with it because they get their rent paid mostly from benefits. Also, as long as they get their rent from people who act antisocially, they have no interest in addressing housing issues or behaviour.

7.0 Ben Street- Clayton and Openshaw

- 7.1 45 Residents responded, of which 33 were from the local area. The majority of responses from residents were owner occupiers 46% (21) with 31% (14) responses from residents privately renting a property in the area and 22% (10) renting from the council or housing association.
- 7.2 Residents were asked to rate a number of issues as big problems, small problems or not a problem at all. The main problem identified was rubbish with 68% of respondents saying it was a big problem. 63% of respondents said flytipping was a big problem. After that concern was spread out across a range of issues including drug related crime (which 50% of respondents considered to be a big problem), poorly managed private rented properties (49%) and crime in general (43%).
- 7.3 When asked about neighbourhood issues directly affecting them and their families in the last 3 years, only 18% of the residents completing the survey responded. 87% of those that did respond had been directly affected by problems with the way a landlord or letting agent looks after their property. 75% said they had been affected by poor conditions in their home. Anti-social

behaviour also featured quite highly in that 62% of residents had been affected in the last 3 years.

- 7.4 When asked if private rented properties should be subject to an inspection by the council 90% of respondents strongly agreed or agreed. 93% of the respondents strongly agreed or agreed that landlords should be asked to apply for a licence.
- 7.5 Residents were asked to rate the overall management of the private rented properties in the area 47% responded to say that they felt management was very poor or poor. 36% responded to say that they didn't know.
- 7.6 Residents were asked to what extent they felt private landlords in the area acted responsibly or irresponsibly in letting, managing, and maintaining their properties. 47% responded to say they felt landlords acted very irresponsibly or irresponsibly, 38% responded to say that they didn't know. When asked if they thought landlords took action against tenants causing nuisance and anti-social behaviour 52% said they didn't know and 36% said they didn't think landlords took action against tenants causing nuisance and anti-social behaviour.
- 7.7 91% (41) of respondents strongly agreed or agreed that the Council should introduce selective licensing, 1 person said they neither agreed nor disagreed, and 3 people disagreed or strongly disagreed. 84% (37) of respondents strongly agreed or agreed this was the right area for selective licensing to be introduced, 6% of people (3) neither agreed or disagreed and 9% of people (4) disagreed.
- 7.8 90% of respondents strongly agreed or agreed that selective licensing would improve the way landlords or letting agents manage their properties. 90% strongly agreed or agreed that selective licensing would improve the condition of private rented properties. 68% strongly agreed or agreed that selective licensing would reduce antisocial and nuisance behaviour. 79% strongly agreed or agreed that selective licensing would improve the area in general.
- 7.9 Some residents provided additional statements as part of the online questionnaire; some examples of these are given below;

This part of Openshaw has been forgot over the last twenty years the houses most of the houses are a disgrace, with most of private landlords,

General living conditions, fire safety, inspections needed. Council needs to be proactive

I disagree because I think most of the houses on the map are already owned by a housing association

8.0 Responses from Landlords & Agents

Ladders- Gorton and Abbey Hey

- 8.1 24 completed questionnaires were received from the landlords' consultation in the Ladders area. Of those 24 respondents, 22 owned or managed properties in the area with the remaining 2 managing properties outside of the area. 8 landlords had previously engaged with the council as part of the pre consultation, 16 had not previously given any views.
- 8.2 The problem most landlords felt was an issue in the area was rubbish, with 50% saying it was a big problem and fly tipping, which 43% felt was a big problem. It is noted that landlords without property in the area also commented on the issues they felt affected the area.
- 8.3 Landlords were asked whether any of their property had been affected by the following problems in the last 3 years. 18% reported to have been affected by problems with neighbouring properties affecting their property or tenants. 22% had issues with rent arrears and 4% said they had difficulty obtaining references. However, a majority (54%) said they had not been affected by any of these issues.
- 8.4 When landlords and agents were asked if private rented properties should be subject to an inspection by the council 39% strongly agreed or agreed. 58% of respondents said they strongly disagreed with landlords being asked to apply for a licence.
- 8.5 Landlords' views were sought on whether to introduce selective licensing in the area and choice of area. 75% of respondents strongly disagreed or disagreed with the council introducing selective licensing. 60% of respondents strongly disagreed or disagreed with the proposed area suggested for selective licensing. 26% neither agreed nor disagreed with the proposed area.
- 8.6 Landlords were asked to comment on what support or services, they could be provided with that, would help them maintain properties to high standards. The most mentioned issues were enforcement through inspections and improved cleaning of the area. Suggestions touched on financial support needed for landlords and that there already is a lot of legislation to comply with. Further suggestions for education sessions for 'rogue' landlords, delivered by good property management companies. Help with health and safety requirements and certification, as well as suggestions to make eviction easier and setting up a register of problem tenants.
- 8.7 Landlords were asked to comment on what positive effect(s) they think introducing selective licensing would have. The most common response was "none." This is followed by better standards, and improved community/area.
- 8.8 When asked about potential negative effects of introducing selective licensing, the most common examples were increases in rent, followed by increased costs for landlords. Fewer landlords pointed out that negative effects could

also include encouraging landlords to sell their property, increasing tension between landlords and tenants, or decreasing standards.

- 8.9 Some landlords and managing agents provided additional statements as part of the online questionnaire; some examples of these are given below

Poorly maintained area by the council, poor police presence, poor parking and not managed or monitored, poorly managed council properties, poor choice of tenants from the council into council or housing association properties.

Both tenants and landlords need advice and support from the local authority re changing legislation/standards. Landlords with adjoining properties not maintained and causing problems to the landlord's property and tenants are an ongoing problem. Support from the LA to solve these issues would be invaluable in improving standards.

I agree because the area is awful, a lot of crime, nuisances, cars speeding around, properties overcrowded of tenants, constant fly tipping, anti-social behaviour, rubbish everywhere, crimes, drugs and drunk people.

9.0 Hyde Road- Gorton and Abbey Hey

- 9.1 7 completed questionnaires were received from the landlords and agents' consultation. Of the responses the majority (4) were from landlords or agents who did not have properties in the proposed licensing area. 3 of the landlords had previously engaged with the council as part of the pre consultation process.
- 9.2 The problem most landlords felt was an issue in the area related to rubbish and fly tipping both having a response of 60% to say they are big problems. People moving in and out of the area was also identified as an issue, with 60% of respondents saying it was a big problem. 60% of respondents said that that poorly managed private rented properties and overcrowded properties were not a problem at all. 50% of respondents also felt that neglected properties in poor condition and drug related crime were not a problem at all.
- 9.3 Landlords were asked whether any of their property had been affected by the following problems in the last 3 years. 66% of respondents said that they had not been affected by any of the issues listed in the questionnaire. 33% said they had been affected by problems with neighbouring properties affecting their property/tenants. No respondents provided comments on any other issues that had not been listed in the questionnaire.
- 9.4 When landlords and agents were asked if private rented properties should be subject to an inspection by the council 57% strongly agreed or agreed, 28% disagreed or strongly disagreed. 57% of respondents disagreed or strongly disagreed with landlords being asked to apply for a licence. However, 42% of

respondents said they strongly agreed or agreed with landlords being asked to apply for a licence.

- 9.5 Landlords' views were sought on whether to introduce selective licensing in the area and choice of area. 57% of respondents strongly agreed or agreed with the council introducing selective licensing while 42% strongly disagreed or disagreed with selective licensing being introduced. 66% of respondents strongly disagreed or disagreed with the proposed area suggested for selective licensing.
- 9.6 Landlords were asked to comment on what support or services, they could be provided with that, would help them maintain properties to high standards. Suggestions included the need for financial support, as well as support with dealing with irresponsible tenants and access to advice for landlords.
- 9.7 Landlords were asked to comment on what positive effect(s) they think introducing selective licensing would have. The most common response was "none." Other responses included improved standards, safety and more responsibility, while others suggested the positive effects were unclear.
- 9.8 When asked about potential negative effects of introducing selective licensing, the most common examples were costs for landlords, followed by an increase in rent, and the possibility that landlords may sell their properties and a reduction of investment in improving the state of homes in the area.
- 9.9 Some landlords and managing agents provided additional statements as part of the online questionnaire: some examples of these are given below:

agree with all the issues highlighted

I strongly disagree with the introduction of Selective Licensing. The Council currently have the powers to inspect properties that look in disrepair and deal with antisocial tenants. I vet all new tenants, get references and do credit checks to try to ensure that decent people let my properties. I already pay out hundreds of pounds getting these checks and references done plus all of the gas and electrical safety certificates required and do not want the Council to introduce Selective

Licensing on my properties which have good tenants in and are well maintained. The Council should go after the bad landlords individually and get them to improve the standards of their properties instead of fining all other good and decent landlords through Selective Licensing.

I hope it will get standard of those landlords who buy property cheap stick a lick of paint and rent it out and do nothing about damp or mould, infestations old boilers and crumbling walls.

It's another cost for a landlord and they already have to pay out more than most

10.0 Trinity- Harpurhey

- 10.1 11 completed questionnaires were received from the landlords and agents' consultation. Of the responses 3 were from landlords or agents who did not have properties in the proposed licensing area. 5 of the landlords had previously engaged with the council as part of the pre consultation process.
- 10.2 Very few landlords and agents who responded felt that any of the issues asked about were a big problem with 25% saying that fly tipping is a big problem. General crime in the area was highlighted as a small problem by 87% of respondents. Drug related crime was the second highest reported issue identified as a small problem by 62% of respondents.
- 10.3 Landlords were asked whether any of their property had been affected by the following problems in the last 3 years. This question received a low response rate. Of those that responded 44% said they had been affected by rent arrears, 33% said they had not been affected by any of the issues stated and 11% said they had been affected by problems with neighbouring properties affecting their property/tenants and a further 11% said they had been affected by tenants causing antisocial behaviour.
- 10.4 When landlords and agents were asked if private rented properties should be subject to an inspection by the council 54% of respondents strongly disagreed or disagreed. 72% strongly disagreed or disagreed with landlords being asked to apply for a licence. While 27% of respondents said they strongly agreed or agreed with landlords being asked to apply for a licence.
- 10.5 Landlords' views were sought on whether to introduce selective licensing in the area and choice of area. 73% of respondent strongly disagreed or disagreed with the council introducing selective licensing with 18% strongly agreeing or agreeing with selective licensing being introduced. 50% of respondents strongly disagreed or disagreed with the proposed area suggested for selective licensing while 20% strongly agreed or agreed with the area proposed.
- 10.6 Landlords were asked to comment on what support or services, they could be provided with that, would help them maintain properties to high standards. Suggestions included financial support and support with irresponsible tenants and access to advice for landlords.
- 10.7 Landlords were asked to comment on what positive effect(s) they think introducing selective licensing would have. Again the most common issues raised are that the scheme will have no positive effects, or that any positive effects are unclear.
- 10.8 When asked about potential negative effects of introducing selective licensing, the most common examples were increases in rent, followed by increased costs for landlords. Increased tension between landlords and tenants, fewer rental properties available, more bureaucracy and reduced landlord engagement with the council were also mentioned.

- 10.9 Some landlords and managing agents provided additional statements as part of the online questionnaire; some examples of these are given below:

Selective Licensing will not solve the problems, any costs will be passed down to the tenants, there is a police station not too far away, they can attend to this issue instead of trying to outsource it to the Landlords. The council already have enough powers to sort out bad landlords, why punish the majority good landlords with extra costs. Has the council considered the costs of administering the selective licensing scheme?

Already this is the second process of trying to pass this law. All that manpower could have been used to visit the rented houses and get to know houses that are not well looked after.

Help landlords to evict bad and unruly tenants. Most landlords already know what is required to keep a property safe and in good condition. Impose extremely high fines on Landlords for not adhering to the rules and regulations (So long as the same standard is applied to council houses). Imposing a Selective Licensing scheme is not a kind of support service.

Ensuring the environment of the areas is maintained, street cleaning, rubbish removal for example. Promoting the availability of schooling and sports and leisure facilities. Grants to assist in external refurbishment of a house falls into disrepair. Compulsory purchase of derelict/empty houses if left in poor condition beyond a designated time thereby maintaining the appearance of a neighbourhood.

Better landlords will buy properties. Rogue landlords will be put off

11.0 Ben Street- Clayton and Openshaw

- 11.1 A very low response was received from the landlords and agents' consultation and was insufficient from which to derive a representative set of views. To avoid disclosing individual responses to the survey this section summarises the general view from the responses that were received. It is recognised that landlords are significantly underrepresented in this consultation. Respondents said that they had engaged with the council as part of the pre consultation process.
- 11.2 The issue landlords felt was a big problem in the area related to fly tipping, problems along with rubbish and neglected properties/properties in poor condition. Nuisance neighbours/antisocial behaviour and people moving in and out of the area often were identified as small problems.
- 11.3 Landlords were asked whether any of their property had been affected by a range of problems in the last 3 years. The most frequently mentioned issue was difficulty finding tenants.

- 11.4 When landlords and agents were asked if private rented properties should be subject to an inspection by the council. There were not enough responses to this question to draw firm conclusions other than respondents agreed that landlords should supply safety certificates and that tenants should supply references. All respondents advised that they do take references from prospective tenants currently.
- 11.5 Landlords' views were sought on whether to introduce selective licensing in the area and choice of area, there was no conclusive result, as half the respondents agreed and half strongly disagreed. There was no strong view expressed on whether Ben Street was the right area for licensing. No comments were provided in the open text questions.
- 11.6 Landlords were asked to comment on what support or services, they could be provided with that, would help them maintain properties to high standards. Use of good property management companies was suggested.
- 11.7 Landlords were asked to comment on what positive effect(s) they think introducing selective licensing would have. The one response provided suggested that the positive effects were unclear.
- 11.8 When asked about potential negative effects of introducing selective licensing. Potential increases in rent and increased costs for tenants are the only mentions from landlords in Ben Street.
- 11.9 Additional statements as part of the online questionnaire were:

Using a local estate agent fixed all the issues I had! They are the professionals, as a landlord of 2 properties this is not my main job.- I think this is the issue some landlords have.

It may help a few landlords who have just one property. For those who own multiple, or for those who have an estate agent manage the property I don't think it will have any positive effects.

12.0 Written Representations by National Associations and Landlords

- 12.1 A number of meetings were conducted with landlord trade bodies/landlord organisations, including the National Residential Landlords Association (NRLA) and Association of Residential Letting Agents (ARLA) PropertyMark written representations have been encouraged and received. In summary queries were made in relation to:
- The scope of powers granted to the local authority to enforce a licence condition relating to the provision of alternative accommodation for occupiers when carrying out major works
 - Landlords authority to deal with matters related to anti-social behaviour (ASB)
 - Use of existing powers to tackle identified issues in the proposed SL areas

- Clarification on how the council supports landlords when a section 21 notice eviction is served.
- Clarity on alternatives to licensing that have been considered

12.2 Written representations were also received from three landlords in the area who in summary raised queries concerning how the fee would be spent and lack of support for landlords.

12.3 Licence condition 17 which relates to a licence holders' responsibilities in satisfying themselves that persons involved with the management of their house including themselves to the best of their knowledge are "fit and proper persons" has been amended following consideration of representations.

12.4 Support for landlords was highlighted both during the initial consultation and the formal consultation. An additional officer will be implemented into the new schemes to engage with landlords proactively and offer support.

12.5 All written representations will receive a response, and a transcript of this will be available online as part of the consultation outcome process.

13.0 Internal and external inspections

13.1 In addition to the neighbourhood data, referred to at para 1.6, a proportion of the private rented properties that would be included in the SL area have been subject to internal and external inspections. This provides a benchmark to assist with monitoring the impact of the licensing scheme.

13.2 External Inspections: 701 external inspections, (50% of the total licensable properties) were completed across the four areas covering a range of buildings from terraced housing, flats above shops and building with multiple flats or apartments.

The breakdown of the external inspections are as follows:

Area	Total Number of PRS	Total number of external inspections (50% in each area)
The Ladders – Gorton & Abbey Hey	773 properties	369 properties
Hyde Road – Gorton & Abbey Hey	94 properties	58 properties
Trinity - Harpurhey	430 properties	226 properties
Ben Street – Openshaw and Clayton	105 properties	48 properties
	Total: 1402	Total: 701

13.3 The properties were RAG rated and inspectors looked at a range of things, including structure of the building, boundary walls, condition of gardens, and waste issues.

- 13.4 The Ladders – Gorton & Abbey Hey:** Half the properties in the area, that were inspected, were identified as having no or extremely minor issues.
- 13.5 108 properties had some disrepair issues, which included, broken window, slipped roof slates, pointing required to chimney stack and walls, damaged window cills, damaged and blocked guttering, fascia board missing, waste issues and damage to boundary walls.
- 13.6 77 properties were in extremely poor conditions with repairs required to timber fascia, damaged or unstable boundary walls, slipped roof slates at risk of harming pedestrians below, potential structural instability, broken guttering, falling render, windows and doors boarded, and section of downpipe missing
- 14.0 Hyde Road – Gorton and Abbey Hey:** Majority of the properties inspected (35) were found to have no or extremely minor issues.
- 14.1 16 properties had some disrepair issues which included, blocked gutters, tree rooted in rear chimney, poor condition of roof, waste issues, boarded up windows and cracking above bay window.
- 14.2 7 properties were in extremely poor disrepair with slipped slates, missing section of fence, fanlight smashed, fridges being stored in gardens and pigeons accessing roof space.
- 15.0 Trinity – Harpurhey:** Majority (149) of the properties inspected in this area were identified as having no or extremely minor issues.
- 15.1 61 properties had some disrepair issues, where improvements are required. These include damage to roof or generally in poor condition, damaged rear walls, refuse in rear gardens, vegetation growing in walls & chimney, broken drainpipe, blocked gutters, and loose copings. Some properties were noted as run down and required painting to fascia boards and window cills.
- 15.2 15 properties were in extremely poor disrepair with broken/boarded windows, slipped and missing roof slates, fascia board hanging down, rotten window frames, boundary wall requires repointing, missing rear garden gate, fallen TV aerials and cracking to walls.
- 16.0 Ben Street- Openshaw and Clayton:** Majority (30) of the properties inspected in this area were identified as having no or extremely minor issues.
- 16.1 15 properties had some disrepair issues with vegetation and moss growth in gutters, chimney stack and roof, minor cracks and issues with waste in gardens.
- 16.2 3 properties were in extremely poor condition with repairs required to roof, chimney stack, poor pointing, rendering and damaged gutters.

17.0 Internal Inspections: 145 internal inspections (10% of the total licensable properties) were completed in the four proposed SL area between March 2021 and September 2021.

17.1 Inspections were undertaken using the housing health and safety rating system (HHSRS) which is a risk-based evaluation tool to help local authorities identify and protect against potential risks and hazards to health and safety from any deficiencies identified in dwellings. The HHSRS assesses 29 categories of housing hazard. Each hazard has a weighting which helps determine whether the property is rated as having category 1 (serious) or category 2 (other) hazards. Councils have a **duty** to deal with hazards which are assessed as category 1 under HHSRS, and **discretionary powers** to deal with Category 2 hazards

17.2 The breakdown of the internal inspections are as follows:

Area	Total Number of PRS	Total number of Internal inspections (minimum 10% in each area)
The Ladders – Gorton & Abbey Hey	773 properties	77 properties
Hyde Road – Gorton & Abbey Hey	94 properties	11 properties
Trinity - Harpurhey	430 properties	44 properties
Ben Street – Openshaw and Clayton	105 properties	13 properties
	Total: 1402	Total: 145

Total number of Category1 and 2 hazards across all four areas.

Area	Cat 1 hazards	Cat 2 hazards
The Ladders – Gorton & Abbey Hey	4	142
Hyde Road – Gorton & Abbey Hey	1	12
Trinity - Harpurhey	1	44
Ben Street – Openshaw and Clayton	0	17
	Total: 6	Total: 215

18.0 The Ladders- Gorton & Abbey Hey: - 77 properties in the area had internal inspections with 18 properties having no issues and 59 properties containing hazards which included falls on stairs and level surfaces, electrical hazards, fire safety, structural collapse, damp & mould and domestic hygiene. Out of the 59 properties found with hazards, 3 properties were also identified with category 1 hazards, which required action from the Council. 2 properties were served with an Improvement Notice (enforcement notice) and all three properties will be revisited to ensure hazards have been addressed. In

addition to this, 57 hazard letters were sent to landlords to address minor disrepair issues.

19.0 Hyde Road- Gorton and Abbey Hey: 11 properties in the area had internal inspections, with 8 properties requiring no action. 2 properties were identified with category 2 hazards where hazard letters have been sent to the landlords. 1 property was identified with both category 1 and 2 hazards and an Improvement Notice (enforcement notice) has been served which will require a revisit to ensure works have been carried out. Hazards identified on Hyde Road include Fire safety, falls on level surfaces, electrical hazards, damp & mould and domestic hygiene.

20.0 Trinity- Harpurhey: 44 properties in the area had internal inspections with 24 properties requiring no action. 19 properties were found with category 2 hazards, with multiple minor disrepair issues and all landlords have been sent a hazard letter. 1 property was found with both category 1 and 2 hazards. The landlord has been sent a hazard letter and the property will be revisited to ensure hazards have been addressed. The hazards in the area ranged from, entry by intruders, fire safety, structural collapse, damp & mould, domestic hygiene, electrical hazards and falls on level.

21.0 Ben Street- Openshaw and Clayton: 13 properties in the area had internal inspections and there was a minimum of one category 2 hazard present in each property. In total there were 17 category 2 hazards identified, ranging from falls on level surfaces, fire safety, damp, electrical hazards and domestic hygiene. The hazards were minor disrepair and hazard letters were sent to 12 landlords and 1 landlord was provided with advice.

21.1 In response to the hazards identified across the four areas, the officers took the following actions:

Action	Total Properties
Improvement Notice served	3
Hazard letter sent	91
Advice given	1
No action required	50
	145

22.0 Conclusion

22.1 The results of both the initial and the formal consultation exercise show the majority of residents support the introduction of SL in all 4 areas. The results also show that the majority of landlords do not support the introduction of SL. 85% of all resident respondents to the formal consultation said they strongly agreed or agreed with the area identified for selective licensing. 92% of resident respondents, and 42% of landlord and managing agent respondents said they agreed/strongly agreed that private rented properties should be subject to an inspection by the Council. 90% of all resident respondents and 20% of all landlord and managing agent respondents said they agreed or strongly agreed that landlords should be asked to apply for a licence.

- 22.2 Both residents and landlords agree there are issues in the areas including poor property conditions, transience, rubbish or fly tipping, and each group had been directly impacted by anti-social behaviour or non-payment of rent. This correlates to the data that had been analysed prior to the consultation, with higher-than-average crime and antisocial behaviour and issues with rubbish and fly tipping a major problem within the area.
- 22.3 Selective Licensing will enable a resourced, targeted and systematic approach to addressing the issues that have been identified during the consultation process, data analysis and discussion with local neighbourhood teams and ward members. The licensing scheme will aim to deliver measurable improvement objectives in the following areas:
- **Anti-social behaviour – also linked to environmental and waste management:** The outcome of the scheme aims to be a reduction in anti-social behaviour (caused by tenants in the private sector) in the designated area.
 - **High levels of crime:** The outcome of the designation (together with the other measures) aims to reduce crime in the area.
 - **Poor property conditions:** 50% inspection of all private rented properties. The outcome of the designation will be a general improvement of property conditions in the designated area within the lifetime of the designation
 - **High level of deprivation:** The outcome of the designation aims to (together with other measures) reduce the problems with housing in the private rented sector contributing to the high level of deprivation in the area.
- 22.4 Having followed a robust consultation process and considered all the feedback and representations received, the Strategic Director Neighbourhoods intends to consult in January 2022 with the Executive Members with responsibility for Housing, Finance and Human Resources to formally designate selective licensing areas in the following areas: Ladders and Hyde Road- Gorton and Abbey Hey, Trinity- Harpurhey, and Ben Street area- Clayton and Openshaw commencing January 2022.
- 22.5 The indicative fee for a standard licence will be between £765-£820. This will be finalised before the formal designation of the scheme. A reduced introductory fee will be charged to landlords who apply within the three-month statutory public notification period.
- 22.6 The income generated from licensing fees will be used to pay for the consultation process, administration, management and running of the scheme. The Council does not generate surplus funds from selective licensing schemes. The income generated, the bulk of which is collected in years one and two, is required to manage and resource the scheme for its full 5 year designation.

- 22.7 Landlords will be encouraged to sign the Market Rental Pledge which is a public register that enables landlords to state their commitment to being a good landlord by following agreed practices that create a better private renting experience for tenants, and consider accreditation through local, regional or national professional landlord bodies.
- 22.8 It is the Strategic Director Neighbourhoods intention to consult with the Executive as outlined in paragraph 4.4 following the Christmas period to formally designate selective licensing areas by the end of January. Once confirmed Landlords will be required to apply for a licence within the three month statutory public notification period; failure to comply may result in legal enforcement action being taken against them.
- 22.9 The Council is legally required to undertake the following steps to notify the public and all those affected by the designation once confirmed.
- 22.10 Within 7 days after the date on which the designation is confirmed or made:
- (a) Place the public notice on a public notice board at one or more municipal buildings within the designated area, or if there are no such buildings within the designated area, at the closest of such buildings situated outside the designated area
 - (b) Publish the notice on the internet site
 - (c) Publish the public notice in at least two local newspapers circulating in or around the designated areas (6 editions)
- 22.11 Within 2 weeks after the designation is confirmed or made the local housing authority must send a copy of the notice to
- (a) Any person who responded to the consultation conducted
 - (b) any organisation which, represents the interests of landlords or tenants within the designated area or represents managing agents, estate agents or letting agents within the designated area; and
 - (c) every organisation that provides advice on landlord and tenant matters, including law centres, citizens' advice bureaux, housing advice centres, and homeless persons' units.

23.0 Key Policies and Considerations

- 23.1 (a) Equal Opportunities-** The approach to consultation has enabled engagement with all local communities; through appropriate consultation it has given all stakeholders opportunities to engage in the development of locally focussed SL schemes.
- 23.2 (b) Risk Management-**The progress of the schemes will be reported regularly to the Private Sector Housing Board who will examine and monitor risks associated with the project.
- 23.3 (c) Legal Considerations-** The delivery of the consultation has taken into account the legal consultation and designation process. The project team has

worked closely with colleagues in legal services and the communications team to ensure all requirements are satisfied.

Appendix 1 - Maps and street lists- Attached as a separate document

Appendix 2 - Proposed Licence Conditions- Attached as a separate document

Appendix 3 - Local Data Statistics- Attached as a separate document

Appendix 4 - 2021 SL Consultation Evaluation Report- Attached as a separate document