

Briefing Note



Selective Licensing Cabinet Working Group

Areas of Action – Update May 2025

Purpose of the Briefing Note:

The Cabinet Working Group have committed to exploring ways to improve Housing Standards in two areas, parts of Sidney Sussex and Heneage Wards. This briefing note outlines opportunities that are available to the Council and its partners when considering the options to deliver housing and management improvements in the proposed Areas of Action.

Background

The proposed Areas of Action have been selected due to the concerns around low housing demand, poor quality housing and high levels of crime and anti-social behaviour. The purpose of the Areas of Action is to explore options to improve the area and consider Selective Licensing if landlords fail to engage with the voluntary process.

Designating these areas provides an opportunity to understand the issues and consider a suitable solution and gather robust evidence should voluntary engagement with the landlords and community fail.

The ambition of the scheme will focus on the following priorities to improve housing management and housing conditions:

- Advice
- Guidance
- Assistance
- Engagement

Advice and Guidance

It is proposed that the Council will improve information available to private rented sector landlords and tenants. In addition, it is proposed that the Council will offer free membership to the first 50 landlords (who own properties in the two areas for action) who sign up to a procured landlord accreditation programme. Accreditation will provide access to training and forums with other landlords to share best practice. In addition, the Council will work with Landlords Associations who have representation in the defined areas.

All landlords and tenants in the Areas of Action will be asked to abide by the Landlord and Tenant Charter.



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The focus of the **Landlord Charter** will be to provide affordable, safe and secure, well managed housing.

Affordable:

Whilst we appreciate that landlords are currently experiencing their own financial challenges with increased interest rates, increased cost of repairs and changes to taxation, properties still need to be affordable for tenants.

There are many ways that landlords can make homes more affordable for occupants (within current legislative standards):

- Ensuring homes are not draughty (retaining natural ventilation), and that windows and doors are in good repair
- Have an economic whole house heating system
- Ensuring homes are insulated
- Tenants charged an affordable rent they can afford, which will reduce the risk of arrears and need to evict a tenant which can see increased legal costs, arrears and void rental losses.

Safe and Secure:

As part of the accreditation process, properties will need to meet minimum legislative standards and be free from Category One and Two hazards (Housing Act 2004 – Health and Safety Rating System) to receive accreditation. The proposal will offer free Landlord Accreditation for the first landlords who apply, to encourage landlords to participate.

Well Managed Housing:

Tenants are more likely to look after a well-managed, legislatively compliant home. Landlords and Tenants can access the Homelessness Service to access mediation to save a tenancy. This could include setting up a payment plan for arrears or referring the tenant to Housing Related Support (HRS). HRS is a service provided by Homelessness Service, providing support to tenants to help them sustain support services and maintain a tenancy. In addition, the Council intend to provide an external service, free of charge to all landlords – *Call Before you Serve*. This will help to reduce the number of evictions, by offering landlords and tenants the opportunity to contact an independent service, before the tenancy reaches the stage that it becomes irretrievable.



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As a minimum, landlords should (within current legislation/good practice):

- **Provide a rent book/statement** if you pay rent on a weekly basis.
- **Protect the tenancy deposit.** If there is a tenancy deposit, then the landlord is legally required to protect a deposit within 30 days of receiving it. Within the same 30 days, they must also provide the tenant with information that confirms which government authorised scheme the deposit has been protected with.
- **Maintain the property.** The landlord is required to keep the structure and exterior of the property, all services (water, electricity, gas) and any appliances and furniture that they have provided in working order.
- **Carry out repairs.** Tenants should report damage/disrepair to the landlord (or their agent). The landlord should then make arrangements to carry out repairs within a reasonable timeframe.
- **Arrange regular Compliance Inspections.** There should be regular Gas (annually) and Electricity (every 5 years) compliance inspections to ensure appliances are safe.
- **Provide Smoke/Carbon Monoxide Detectors.** Landlords should provide detectors where appropriate. These can save lives.
- **Give reasonable notice of any necessary visits to tenants.** The minimum notice landlords are required to provide by law is 24 hours' notice in writing to enter the property at reasonable times of the day.

The focus of the **Tenant Charter** will be to 'act in a tenant like manner', which requires a tenant to:

- Pay rent on time
- Look after the property
- Not to be a nuisance to their neighbours
- Report repairs in a timely manner

Pay the rent on time, even if the landlord is not keeping to the tenancy agreement, not paying rent on time means tenants are in breach of their tenancy agreement. It could lead to a tenant being evicted and may mean they struggle to find alternative accommodation. It also means if a tenant presents as homeless, they will be classed as intentionally homeless.

Look after the property. Tenants have an obligation to use the property in a responsible way. However, they should not attempt repairs or decorations without permission from their landlord, unless the tenancy agreement permits.

Not be a nuisance to their neighbours. A landlord can evict a tenant causing anti-social behaviour, for example excessive noise or mess. In serious cases, the Council or Police could be involved and work with the landlord to end the tenancy.

Not take in a lodger or sub-let without permission. In several recent enforcement cases, landlords have been unaware that a tenant has taken a lease into their own hands and put other households into the property, often causing overcrowding.



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Tenants' Rights if they are Intentionally Homeless. If a household is intentionally homeless but has a priority need, the Council has a limited duty to secure temporary accommodation for a period that provides the tenant with a reasonable opportunity to find permanent housing. This duty exists because even though they are intentionally homeless, they still have a need for accommodation due to their vulnerabilities. Where the household does not have a priority need, the Council does not have a duty to find alternative accommodation.

How we propose putting in Support:

The proposed scheme will provide support for landlords and tenants who engage in the process as follows:-

Landlords already have several support services in place to prevent a tenant from being evicted. No Landlord wants to evict a tenant as it is both costly and resource intensive. The financial loss includes legal costs, lost rent and void loss (lost rent, repairs, and Council Tax). Homeless Prevention Officers already work with landlords who access the service. The emerging Rough Sleeper and Homelessness Prevention agenda will focus on providing support for tenants to stay in their property longer. Where appropriate, Housing Related Support can be put in place to help. Landlords accessing the service will be able to have a point of contact who will be able to direct them to the right service and support them through the process.

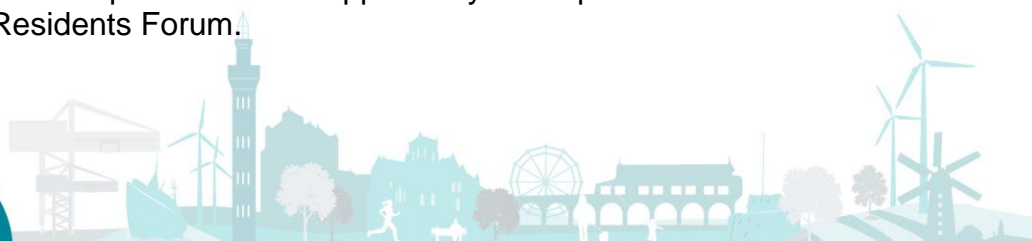
Tenants already have support in place with regard to prevention of homelessness. There are several support agencies in place to help with financial issues and debt management, and helping tenants to understand how they manage a tenancy, for example support around registering for utilities, Council Tax, applying for housing allowance through Universal Credit and budget planning etc. Tenants will have a point of contact and drop-in services available where they can gain support to reach out to the correct services.

Community Engagement

The Areas of Action will pilot regular forums for residents, and landlords.

Residents' Forum will be open to all those that live in the area, irrespective of tenure. The meetings will be an opportunity to understand issues in the borough, whether it's anti-social behaviour, bins, alleyways, parking or houses of multiple occupancy. The forum will highlight their top five issues to tackle which are housing related.

Area Based Landlord Forums will provide landlords an opportunity to work with the Council to improve the area, discuss issues which are pertinent to help them understand our systems and processes, deal with issues that could improve the way we work together including exploring opportunities to apply for funding to improve houses such as Energy Company Obligation grants. It will also provide wider opportunity to explore and tackle resident concerns raised via the Residents Forum.



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Communication will be key to ensuring the project reaches key stakeholders and ensuring residents and landlords participate. The project will require its own web access held on the Council's website, which will hold information on how to manage a tenancy and how to let a property. Contact information for the Neighbourhood Officer, and other Council teams including out of hours support will be disseminated, along with regular social media campaigns and neighbourhood action days.

Desired Outcomes

It is envisaged that the project will identify those landlords who are not abiding by current regulations and offer support to and enforcement action where necessary improve the quality of property and rental management in the area. In addition, providing support to tenants will hopefully reduce the number of evictions by providing the necessary support and interventions at an earlier stage. The initiative will also develop closer working relationships with landlords, tenants and residents to better understand and tackle the issues in this area.

Impact on the Community

It is recommended that in order to understand impact we would measure the following outcomes which will provide a good indicator around quality of life for residents in the area. These are as follows;

- Number of hazards under Housing Act 2004 are reported.
- Number of homes where energy improvements have been delivered.
- Number of landlords where a formal notice/civil penalty has been served
- Number of homelessness prevention cases prevented
- Number of homeless households presenting in these areas reduced.
- Increase in reporting crime/ASB to the relevant authority
- Decrease in the amount of crime/anti-social behaviour

Strengths and Weaknesses

- The scheme is designed to provide support for landlords and tenants, working with good landlords to improve engagement and educate landlords who don't work within the law. Having a dedicated resource will provide a direct link between the community and other services and key stakeholders/partners.
- This will only work if landlords and the community will work with the Council. Without engagement in the process, the scheme will not be effective.
- If Selective Licensing is introduced on the East Marsh (pending Cabinet approval), there will be additional resource implications on the Council's Housing Enforcement Team. Implementing Areas of Action simultaneously is likely to add additional resourcing pressures so any decision to implement both schemes together would need to be managed carefully. An option may be to consider delaying implementation of the Areas of Action for a defined period to allow selective licensing to embed.



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- The areas of action may increase demand on housing enforcement services and this may increase end to end times for enforcement cases or longer waiting times unless additional resources can be identified.

Costs -We propose that a **Neighbourhood Housing Officer** post is established to cover both geographical Areas of Action. Their role will be to support landlords and tenants, offering general advice and a triage service, directing people to the right service for further help. The officer would monitor cases to check that all parties are engaging and that a desired outcome is found.

The officer would also be responsible for co-ordinating forums/meetings which bring the community and stakeholders together. According to the Chartered Institute of Housing, this officer should be paid between £21,000 and £32,000 dependent on experience. We recommend that an experienced officer is recruited around NJC19 £29,093 – this should initially be a temporary post (additional to existing resource) for a period of 2 years.

Including oncosts, it is recommended that a budget of **£45,000 per annum** (£90,000 over two years) to include mileage, staffing oncosts, ICT and mobile phone costs.

Premises- whilst officers can base themselves in the Municipal Offices, they will offer outreach/drop-in sessions within the community. A budget for rental will be required. Allowing for a budget of £25 per hour, 2 mornings a week (3 hours each), 48 weeks a year (allowing for holidays) for 24 months = £14,400.

Communication is required to support the project. Whilst web development can be completed inhouse, the cost of social media campaigns throughout the project will cost in the region of £800 with campaigns on Facebook, Instagram, and LinkedIn.

Landlord Accreditation would be offered free to the first 50 landlords (for the first year) who complete their application. The average cost is in the region of £150 and ranges from £110 - £575 dependent on the number of properties they rent. Therefore, the cost will be in the region of £7,500.

Total Projected Costs

| | |
|------------------------|-----------------|
| Resources | £90,000 |
| Premises | £14,400 |
| Communication | £ 800 |
| Landlord Accreditation | £ 7,500 |
| Total | £112,700 |

Potential Cost Savings



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MHCLG's nationwide estimate the cost of each homeless case being in the region of £4,200 (Scanlon et al, 2019). Using the Bank of England Cost Inflation Calculator, these costs have increased to £5,283 per case since this research was published. If the work prevents around 21 households from being homeless, it will be a cost neutral project.

According to the 2023 Building Research Establishment (BRE) survey, the average cost to make poor housing safer is estimated to be £4,039 per home. However, the cost can vary significantly, with some repairs costing less than £1,176, while others can reach between £10,000 and £46,343.

A 2019 BRE report estimates that for every £1 spent on improving warmth in vulnerable households, £4 is made back in health benefits. The average cost (BRE2023) report states that improving the energy efficiency of a home costs in the region of £2,600 which equates to £10,400 per case in savings for the NHS. Therefore if 11 homes are improved, then this would cover the cost of the project.

[BRE cost of poor housing tenure analysis 2023.pdf](#)

Options Appraisal

Option One – Do nothing

This would effectively mean that nothing other than the current support and enforcement would take place based on current levels of resourcing. The Cabinet Working Group are committed to delivering a scheme in the aforementioned areas to raise housing standards and improve the area. It would also be more difficult to provide the evidence for a selective licensing scheme in the future if other interventions such as Areas of Action had not been explored in the first instance.

Option Two – Introduce Voluntary Areas of Action Scheme

This would enable a scheme that works to engage with landlords and tenants. A voluntary scheme will enable the Council to work with good landlords and identify those landlords who are not abiding by current regulations. The scheme is voluntary so relies on landlords' and tenants' willingness to work with the Council. If the scheme is not successful then it provides the necessary evidence required to consider Selective Licensing in these areas later.

Option Three – Discretionary Licensing Powers

This option would provide the Council with an opportunity to determine which discretionary powers would be most suitable to deliver the required outcomes should a discretionary licensing scheme be implemented. (For example, the Heneage area has a large number of Houses of Multiple Occupancy (HMOs), so an option for this area could be a requirement for Additional Licensing so all HMOs require a licence).

Recommendation

It is recommended that Option 2 (subject to funding approval) is supported, with a caveat to the timing of implementation considered alongside the commencement of



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Selective Licensing in the East Marsh. (subject to Cabinet decision to proceed following the consultation outcome). This will ensure that the Areas of Action scheme has every opportunity of being implemented successfully providing landlords and tenants an opportunity to work with the Council, alongside its partners to reduce issues in these areas.

