

DRAFT REPORT FOR CABINET

DATE	20 th August 2025
REPORT OF	Councillor Swinburn, Portfolio Holder for Housing, Infrastructure and Transport
RESPONSIBLE OFFICER	Carolina Borgstrom, Director of Economy, Environment and Infrastructure
SUBJECT	Selective Licensing
STATUS	Open
FORWARD PLAN REF NO.	CB 07/25/03

CONTRIBUTION TO OUR AIMS

The recommendations in this report will support the strategic aims as set out in the Council Plan by supporting a Stronger Economy and Stronger Communities. Selective Licensing will enable the conditions for good and sustainable homes, living a healthy life, nurturing our children and building their future, supporting our adults and contributing to clean and safe streets.

EXECUTIVE SUMMARY

This report, supported by the attached appendix “Selective Licensing Consultation Findings/Evaluation Report” provides details and recommendations following the recent wide ranging consultation exercise undertaken in a defined area of the East Marsh ward to consider the introduction of Selective Licensing.

RECOMMENDATIONS

It is recommended that Cabinet:

- i. Approve the Introduction of Selective Licensing of private rented accommodation within parts of the East Marsh ward as detailed in Appendix 1 and aligning to the Safer Streets geographical area.
- ii. Publish a Public Notice of designation under Section 80 and 83 of the Housing Act 2004. This Notice shall allow for the designation of the chosen area for the introduction of a Selective Licensing Scheme.
- iii. Publicise the Selective Licensing consultation results.
- iv. Approve a flexible fee structure for Selective Licensing.

REASONS FOR DECISION

The Council undertook an evidence-based business analysis exercise that considered East Marsh eligibility for Selective Licensing. In December 2024, Cabinet approved a decision to undertake consultation with stakeholders who may be affected. The subsequent consultation considered the views of those stakeholders. Whilst there was opposition from Landlords, there was broad support from tenants and residents to introduce a Selective Licensing Scheme. Selective Licensing can support a balanced housing market, improve the standards of housing management and address problems affecting residents living in private rented properties.

1. BACKGROUND AND ISSUES

- 1.1 The Council has powers available under provisions within Part 3 of the Housing Act 2005, to implement a discretionary selective licensing scheme. Selective licensing would mean all private sector landlords would require a licence within the designated area.
- 1.2 Selective licensing in privately rented homes is aimed at tackling problems in areas caused by:
 - low housing demand (or is likely to become such an area) and/or
 - a significant and persistent problem caused by anti-social behaviour
 - poor housing conditions
 - high levels of migration
 - high level of deprivation
 - high levels of crime.
- 1.3 On the 11th December 2024, Cabinet approved the commencement of a consultation exercise on a proposal to introduce a selective licensing scheme in parts of the East Marsh ward.
- 1.4 Selective Licensing will enable the local authority to regulate landlords and manage the sector more effectively. There are several factors through which selective licensing helps to achieve effective change:
 - Improves housing conditions within the targeted area
 - The scheme allows the Council to concentrate resources into a specific area and recover costs.
 - Landlords and tenants have a better understanding about housing standards and legal obligations.
 - It provides landlords with a clear understanding of what constitutes an offence and the enforcement process.
 - The Council can enter properties without giving a minimum of 24 hours' notice. (Officers will be able to enter properties where the landlord is intentionally operating without a licence). This is important where a 'rogue' landlord is operating. For example, an illegal house of multiple occupancy.
 - Licensing will provide a clear direction for landlords to provide improved management practices and improve awareness of Landlords responsibilities.
 - Designating an area can instigate a more co-ordinated approach between the local authority and other agencies to work better in partnership, focusing on the issues.
 - It can improve intelligence gathering, to reduce criminal and anti-social behaviour.
 - It can further develop joint working arrangements with the authority and other agencies including Humberside Fire and Rescue, Humberside Police, Border Control/Immigration, Social Care, His Majesty's Revenue & Customs and others.

1.5 Proposed Outcomes

- 1.6 The evidence-based business case identified some high-level outcomes in considering whether to make a selective licensing designation. As part of the consultation the outcomes were refined and are set out below:

Objective	Actions	Target Outcome	Benefits
Reduce low housing demand	<p>Implement a scheme of Selective Licensing and monitor progress and compliance against the predicted number of licensable addresses.</p> <p>Conduct licence compliance checks of properties licensed under the Selective Licensing Scheme.</p> <p>Take both formal and informal action to ensure landlords apply for a licence and properties meet the required standard.</p> <p>Provide web-based information, advice and guidance to enable landlords to deal with anti-social tenants/occupiers.</p> <p>Provide relevant information to tenants and signpost to relevant agencies to ensure tenants are supported to</p>	<p>Improve the local environment, make the area more attractive for residents to live there.</p> <p>Reduce the number of empty and long-term empty residential properties through general area improvement.</p>	<p>Stronger relationships between the Council and private landlords through providing information, advice and guidance and tackling rogue landlords.</p> <p>Tenants stay longer in properties providing an opportunity to create a more cohesive community.</p> <p>Create a vibrant and sustainable private rented housing market.</p> <p>Fewer empty properties in the long term.</p>

	maintain their tenancy.		
Reduce levels of anti-social behaviour (ASB)	<p>Through the use of robust licence conditions and by holding landlords to account ensure action is taken to reduce ASB incidents in private rented properties.</p> <p>Provide web-based information, advice and guidance to enable landlords to deal with anti-social tenants/occupiers.</p> <p>Ensure robust licence conditions, the provision of information, advice and guidance and holding landlords and tenants to account to act and enforce the terms of the tenancy agreement.</p> <p>Provide information, advice and guidance so tenants understand the consequences of unacceptable and anti-social behaviour.</p>	<p>A reduction in ASB, including environmental ASB in the area.</p> <p>Tenants have improved understanding of their responsibilities.</p>	<p>Stronger relationships between the Council and private landlords through providing information, advice and guidance and tackling rogue landlords who fail to address ASB.</p> <p>Reduce incidents of ASB.</p> <p>Reduce number of evictions for ASB.</p> <p>Tenants improve their behaviour and meet the requirements of their tenancy agreement.</p> <p>A vibrant and sustainable housing market in the proposed area.</p>
Improve Poor Housing Conditions	<p>Take proportionate enforcement action where properties do not meet the required standard as set out in the licence.</p> <p>Provide web-based information,</p>	<p>Improve property conditions in the area.</p> <p>Landlords and tenants understand the required standards when a property is let.</p>	<p>Reduced costs of poor housing to the NHS and society with HHCC - Housing Health Cost Calculator</p> <p>Improved health outcomes by tenants living in</p>

	<p>advice and guidance to ensure landlords are aware of their responsibility to improve the energy performance of their properties.</p> <p>Signpost landlords that have properties with an Energy Performance Certificate of E or below, to schemes that may contribute to the cost.</p>	<p>Tenants know how to raise concerns about property standards and know what they can expect from the Council.</p> <p>The number (%) of privately rented properties with an EPC of C or above increases.</p>	<p>better homes, contributing to longer life expectancy for residents.</p> <p>Reduced carbon emissions.</p> <p>Reduction in the number of households living in fuel poverty.</p> <p>Provide a vibrant and sustainable housing market in the proposed area.</p>
Reduce levels of crime in the area.	<p>Signpost to information, advice and guidance to ensure Landlords, tenants and residents can take steps to deter and report criminal activity.</p> <p>Work in a coordinated way with relevant partners to deter and respond to criminal activity.</p> <p>Tenancy support is available for tenants in crisis to help maintain a tenancy.</p> <p>A quarterly residents forum to enable residents to feedback on issues in their community</p>	<p>Landlords understand their obligations to deter criminal activity either conducted by or experienced by their tenants</p> <p>Intelligence is shared between partners to ensure criminal behaviour is identified and actioned.</p>	<p>Reduction in the number of crimes</p> <p>A safer and more desirable living environment.</p>

Increased access to education and health facilities	Working with partners and employing the 'Every Contact Counts' principal tenants have Selective licensing can be a factor that influences landlords' decisions to sell, but it's not the only factor. The specific impact will vary depending on individual circumstances and the specifics of the licensing scheme. greater awareness of wider support services	Tenants are aware of local health and education facilities within their communities.	Higher attainment at school and work through better housing conditions leading to better long term health outcomes. Services collaborate to identify and support individuals and families to ensure appropriate support.
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1.7 Secondly, the Council considered whether there were any other courses of action available to it that would achieve the same objective or objectives as the proposed scheme without the need for the designation to be made.

1.8 It was considered that there had been a number of schemes over recent years, including:

- During 2015, officers visited properties in the area to ensure that all were compliant with Smoke and Carbon Monoxide Alarm (England) Regulations 2015. This campaign also found several properties that contained Category One and Two Hazards.
- During 2019 officers completed various door knocking campaigns, speaking to residents and found several illegal Houses of Multiple Occupancy in the East Marsh area. The activity included early morning visits and formal action taken against landlords.
- During 2022, the local Community Safety Partnership (the statutory partnership made up of North East Lincolnshire Council, Humberside Police, National Probation Service, Humberside Fire & Rescue Services and Health Colleagues) received £749,500 of Home Office Funding, from the Safer Streets Fund. Whilst the scheme did have some impact, crime figures show there has been an increase in crime and anti-social behaviour since the scheme finished.

1.9 Consultation Methodology

1.10 The Council undertook the consultation following Government guidance. The minimum consultation period required by legislation is 10 weeks. Consultation took place from 23rd January 2025 to the 7th of April 2025.

1.11 The Housing Act 2004, Section 80(9) requires a Local Authority to widely consult prior to considering designating an area of Selective Licensing within its Borough with two points enshrined within law, these are.

- To take reasonable steps to consult persons who are likely to be affected by the designation
- To consider any representations made in accordance with the consultation and not withdrawn. Section 6 of the Selective Licensing in the private rented sector: a guide for local authorities document, published by the Department for Levelling Up, Housing and Communities outlines the consultation requirements for any considered scheme. The guidance document outlines that the Council must undertake a full consultation for a period of at least 10 weeks.

1.12 Letters and emails were sent out to all key stakeholders including residents, landlords and businesses in the area affected, with information posted on the 'Have your Say' page on Council website. Paper copies of the consultation were made available on request for the digitally disadvantaged.

1.13 The following engagement approach was undertaken: -

- Resident face to face consultation events within the community
- Landlord face to face consultation events.
- Online consultation events
- The Council also had a direct email address for respondents to send their queries to, selectivelicensing@nelincs.gov.uk
- Information on the Council website www.nelincs.gov.uk.
- Email to all elected members and MP's
- Email to relevant Council partners, stakeholders and other potential interested parties.
- Publicised address for letters to be sent to.
- Attendance at the East Marsh Involve meeting to present to residents and respond to any queries.

1.14 Consultation Findings

1.15 Over the 10-week consultation period the council received 202 responses to its consultation.

Consultation Event	Responses
Online completed surveys	131
Emails	18
Landlord face to face sessions	30 attended
Resident face to face sessions	13 attended
Online Events	10 attended
Total	202

- 1.16 As part of the online consultation, we asked respondents to state if they considered the Council had looked at suitable alternative approaches. Overall residents were satisfied that the Council had looked at other options, whereas landlords did not consider all options had been considered.
- 1.17 Overall, 60.45% residents were in support of the outcomes of the scheme, whereas the vast majority of landlords were not.
- 1.18 We asked if respondents agreed with the proposed area. There was a mixed response with some commenting they were concerned it included the area beyond Durban Road, including Columbia Road, Cooper Road and Fairmont Road. Others said it should include the whole of the East Marsh.
- 1.19 The scheme is designed to collaborate with landlords and tenants to help residents live in their homes longer, by working towards making it a better place to live. Overall, 29% said they strongly agreed and 33% said they agreed with this approach.
- 1.20 We also responded to all specific concerns raised via face to face and on-line sessions and via email, all of which are detailed in appendix xx.
- 1.21 **Summary**
- 1.22 The consultation exercise into the suitability of the proposal to adopt Selective Licensing under Part 3 of the Housing Act 2004, within parts of the East Marsh was extensively and robustly undertaken in the proposed area enabling tenants and residents to take part. Engaging with the estate, lettings and managing agents ensured Landlords were able to engage with the process and also have opportunity to make their views heard.
- 1.23 Tenants and residents were broadly supportive of the introduction of Selective Licensing.
- 1.24 The majority of Landlords were not supportive of the introduction of Selective Licensing.
- 1.25 Based on the feedback received there is a strong case to introduce Selective Licensing in the defined area of the East Marsh
- 1.26 Following feedback and further comparative analysis of both property values and rental incomes in the area south of Durban Road which includes Cooper Road, Fairmont Road and Columbia Road (including interconnecting streets), it is recommended that this area is removed from the Selective Licensing footprint. This would mean Durban Road creates the boundary.
- 1.27 It is also proposed that a review of the fee structure and delivery mechanisms is undertaken to ensure the scheme delivers value for money and operates on a cost recovery basis following consultation feedback.

2. RISKS, OPPORTUNITIES AND EQUALITY ISSUES

- 2.1 In Cabinet deciding to introduce Selective Licensing there is a risk that the Council could face a judicial review. Throughout the process, officers have ensured that due process has been followed and has also sought external advice to provide check and challenge as an additional safeguard.
- 2.2 There is a risk that landlords may exit the market following the introduction of Selective Licensing.
- 2.3 There also remains a risk that if the Council do not introduce Selective Licensing then the area will not experience an improvement in housing conditions which will continue to impact tenants and wider residents.
- 2.4 The scheme has been equality impact assessed and there were no issues highlighted.

3. OTHER OPTIONS CONSIDERED

- 3.1 **Do nothing/continue as we are** – the evidence supports that a “do nothing” option i.e. continue with the current approach, will not bring about the improvements required.
- 3.2 **Increase enforcement activity** – this is already supported through our Housing Strategy. Increased activity is often thwarted by current legislation only allowing officers to use powers of entry and powers of access. This means that officers have to be invited into a house, unless they have a court warrant. Selective licensing allows officers the opportunity to work proactively with landlords to bring properties up to a good standard, before a licence is issued. Therefore, negating the lengthy enforcement process and problems gaining access to properties and taking action where properties have category one and two hazards.
- 3.3 **Encourage landlords to join an accreditation scheme on a voluntary basis** – this is already supported through our Housing Strategy. It is considered that a voluntary scheme is unlikely to deliver a significant improvement in housing conditions in the proposed designated area. Parts of the East Marsh ward were previously consulted during early 2020 about implementing a Selective Licensing scheme. This was put on hold due to Covid-19 and in the interim we have not seen any sustained improvement in the area.
- 3.4 **Implement Selective licensing in the area proposed in the consultation including the area south of Durban Road (Cooper Road, Fairmont Road and Columbia Road and interconnecting streets)** – Consultation feedback about the area south of Durban Road prompted the Council to conduct further comparative analysis of both property values and rental incomes in this area. The area attracts higher property values and rental incomes and does not warrant inclusion within the Selective Licensing area. This would mean Durban Road creates the southern boundary.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

There are potential positive/negative reputational implications for the Council resulting from the decision. An action plan will be agreed with the Council's Communications Team covering statutory communication requirements, and wider information requirements around the mobilisation and implementation of the scheme to ensure Landlords, Tenants and Residents are informed. A range of communication channels will be utilised including social media, online and face to face meetings.

5. FINANCIAL CONSIDERATIONS

- 5.1 Selective licensing should be delivered at nil cost to the Council. Licence fees should pay for all revenue costs including staffing and associated costs.
- 5.2 The Council will be required to invest in upfront costs which will be recovered during the term of the scheme. This will require an initial investment from Council reserves. We anticipate that most fees will be received within the first two years of the scheme, with funding ring fenced for future years.
- 5.3 The proposal should help to improve quality of housing, improve health inequalities, support households to maintain a tenancy and reduce the levels of transiency experienced in the area currently. This will help to reduce the burden the public spend in future years.

6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS

The introduction of Selective Licensing supports the Council outcome around nurturing our children and building their future and will lead to improved outcomes for children and their families.

7. CLIMATE CHANGE, NATURE RECOVERY AND ENVIRONMENTAL IMPLICATIONS

- 7.1 The introduction of a Selective Licensing scheme has the potential to deliver improvements in local environmental quality and home energy efficiency. Whilst this may only deliver small changes in carbon emissions it can help reduce fuel poverty.
- 7.2 The energy efficiency of properties may be improved during the scheme, as property management improves, along with the standard of accommodation.

8. CONSULTATION WITH SCRUTINY

This report will be heard at a joint Communities and Transport, Infrastructure & Strategic Housing Scrutiny Meeting on 21st July 2025 where feedback will be considered ahead of the final Cabinet Report submission.

9. FINANCIAL IMPLICATIONS

9.1 (To be completed by Officer consulted)

10. LEGAL IMPLICATIONS

10.1 (To be completed by Officer consulted).

11. HUMAN RESOURCES IMPLICATIONS

11.1 (To be completed by Officer consulted)

12. WARD IMPLICATIONS

The Decision to introduce Selective Licensing will affect the East Marsh ward.

13. BACKGROUND PAPERS

[12.-Selective-Licensing-Cabinet-Report.pdf](#)

14. CONTACT OFFICER(S)

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