



CABINET

14th October 2020

Subject Heading:

Private Sector Housing Enforcement Scheme Two to Expand Additional Licensing for Housing in Multiple Occupation and Introduce Selective Licensing

Cabinet Member:

Cllr Persaud, Lead Member for Public Protection & Safety

SLT Lead:

Barry Francis Director of Neighbourhoods

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Policy context:

Following the decision taken at Cabinet in May 2019 to consult on a further licensing scheme for private rented properties, Cabinet will be asked to review the results of the consultation and give approval to a Selective Licensing Scheme in Romford Town and Brooklands wards and an Additional Licensing Scheme in Cranham, Emerson Park, Hacton, Hylands, St Andrews and Upminster.

Financial summary:

These new licensing schemes are forecasted to be cost neutral over the 5 year term of the schemes as expenditure will be offset by fee income.

Is this a Key Decision?

Significant effect on two or more Wards

When should this matter be reviewed?

January 2022

Reviewing OSC:

Towns and communities

The subject matter of this report deals with the following Council Objectives

Communities making Havering

[x]

Places making Havering

[x]

SUMMARY

This report seeks approval from members for the introduction and operation of a selective private landlord licensing scheme in Romford Town and Brooklands wards and an additional, house in multiple occupation (HMO) scheme in Cranham, Emerson Park, Hacton, Hylands, St Andrews and Upminster based on the Private Rented Sector (PRS): Housing Stock Condition and Stressors Report Appendix 1. The results of the consultation on the licensing scheme proposals are also presented in Appendices 2 and 3.

The public consultation and the evidence collated, support the case for the introduction of a selective licensing scheme in these two wards due to poor housing conditions and anti-social behaviour. There is also a significant proportion of smaller HMO's in the proposed area which are being poorly managed as to give rise to one or more particular problems, either for those occupying the HMO's or for members of the public e.g. poor housing conditions and/or anti-social behaviour (ASB).

Approval from members is therefore sought to introduce an additional (HMO) licensing scheme covering the remaining six wards in the Borough; Cranham, Emerson Park, Hacton, Hylands, St Andrews and Upminster Appendix 4. Also to introduce a small selective licensing scheme in Romford Town and Brooklands wards Appendix 5.

This will require all privately rented houses in Romford Town and Brooklands to have a licence from the Council. It is estimated that up to 5000 properties may require a licence.

Smaller privately rented HMOs in Cranham, Emerson Park, Hacton, Hylands, St Andrews and Upminster will be required to obtain a licence from the Council.

This Council believes that the implementation of selective and additional licensing will, alongside other existing and proposed activities, improve management practices in private rented properties and reduce the negative impact that below standard and poorly-managed accommodation in the private rented sector can sometimes have on the local community.

Approval is also sought to agree the fees in Appendix 7

The evidence report was provided in the May 2019 cabinet report.

RECOMMENDATION

Cabinet is recommended to:

Consider the representations received in response to the consultation on the selective licensing and additional HMO licensing scheme (as attached at Appendix 3).

- 1) Agree to introduce a selective licensing of private rented properties and to designate a selective licensing area of the district of the London Borough of Havering as delineated and shaded pink on the map at Annex A in Appendix 5 which covers 2 wards (Romford Town and Brooklands) in the Borough and to come into force from 25th January 2021 and be of five years duration.
- 2) Agree to introduce an additional licensing of houses in multiple occupation (HMO's) and to designate an additional licensing area of the district of the London Borough of Havering as delineated and shaded pink on the map at Annex A in Appendix 4 which covers Cranham, Emerson Park, Hacton, Hylands, St Andrews and Upminster wards in the Borough and to come into force from 25th January 2021 and be of five years duration.
- 3) Agree that the selective licensing scheme shall be cited as the London Borough of Havering Designation for an Area for Selective Licensing No 1, 2020
- 4) Agree that the additional HMO licensing scheme shall be cited as the London Borough of Havering Designation for an Area for Additional Licensing of Houses in Multiple Occupation No 2, 2020.
- 5) The scheme shall be publicised as required by regulation before enforcement starts and a comprehensive publicity campaign to begin as soon as the schemes are approved.
- 6) Delegate to the Director of Neighbourhoods in consultation with the Lead Cabinet Member for Public Protection and Safety, the authority to agree minor changes to the proposed implementation and delivery, including administration, fees and conditions where necessary and ensure that all statutory notifications are carried out in the prescribed manner for the licensing designation.

REPORT DETAIL

1. Background

- 1.1 There has been a substantial shift from owner occupation to the private rented sector in recent years, this trend has been recognised and is of concern to the council which they have been monitoring this closely. Private rented accommodation has the poorest housing conditions and can have a significant impact on the community.
- 1.2 In October 2017 the council considered a report to introduce a discretionary additional licensing scheme in 12 wards of the Borough and this came into force in March 2018.
- 1.3 At the time conditions did not exist to introduce any discretionary selective licensing in the area, but as housing tenure was considered to be changing rapidly the council committed to monitoring this and potentially introducing further licensing if required.
- 1.4 In 2011, 10,464 properties in Havering were owned by the local authority, 3,355 by registered social landlords, 71,698 were owner-occupied and 9,601 (9.6%) were privately-rented.
- 1.5 The latest figures suggest that, in 2018, there were approximately 105,798 dwellings in total, of which approximately 30,125 (29%) are privately-rented, with two wards having a level of 37.6% (Romford Town) and 34.9% (Brooklands) PRS. This growth has been largely through the activities of 'buy to let' investors and these new landlords have replaced owner occupiers in many of our streets and neighbourhoods. Havering has also experienced a rise in the growth of Houses in Multiple Occupation (HMOs). There are estimated to be 1310 HMOs in Havering.
- 1.6 Additional licensing provides a power for local authorities to licence HMO's not covered by Mandatory licensing. Under section 56 (1) the Housing Act 2004 a Local Housing Authority has the power to designate the whole or any parts of its area as being subject to Additional Licensing for Houses in Multiple Occupation (HMO's). Generally, these are HMO's which are not covered by mandatory licensing such as those which are occupied by fewer than five or more people, in two or more separate households. Before designating further areas for Additional Licensing, the Authority must be satisfied there is evidence in relation to each proposed area. Further it considers that a significant proportion of the HMO's of the relevant description in the area are being managed sufficiently ineffectively as to give rise to, or to be likely to give rise to, one or more particular problems either for those occupying the HMO's or for members of the public. Selective licensing allows local authorities to introduce licensing for privately rented properties accommodating single households. It is intended to address the impact of poorly rented properties on the local environment and to improve housing conditions. Under Section 80 of the Housing Act 2004, a local authority can designate the whole or any part(s) of its area as being subject to

Selective Licensing. Where a Selective Licensing Designation is made it applies to all Part 3 houses or flats which are privately rented (as set out in section 79 and 99 of the Act). Exemptions apply for example for registered social landlords. If the local authority makes a Selective Licensing Designation that covers i) 20% or less of its total geographical area and ii) includes less than 20% of its privately rented properties, then the scheme will not need to be submitted to the Secretary of State for Communities and Local Government (DCLG) for approval. (Larger Selective Licensing Schemes covering a wider designation or whole borough will require specific Government approval). Before the Council introduces a Selective Licensing Scheme applying to non HMO's, under The Selective Licensing of Houses (Additional Conditions) (England) Order 2015 they must be satisfied it is in an area in which one or more of the following general conditions apply;

- I. That the area is, or is likely to become, an area of low housing demand;
- II. That the area is experiencing a significant and persistent problem caused by antisocial behaviour;
- III. The area has poor property conditions;
- IV. The area has high levels of migration;
- V. The area has high levels of deprivation;
- VI. The area has high levels of crime.

1.7 The authority must also be satisfied that making the designation will when combine with other measures in the area by the local housing authority (or by other persons together with the local housing authority) lead to a reduction in, or elimination of the problems).

1.8 For the Council to introduce discretionary licensing as set out in the recommendations, the Council must demonstrate that conditions exist in the Borough to meet the legal evidential test set out in this section. The evidence collated in the report meets these tests, in summary for the proposed selective licensing:

- Brooklands and Romford Town wards have more than 19% of the housing stock which is privately rented, these wards therefore have an above (national) average % of PRS.
- That the area is experiencing a significant and persistent problem caused by anti-social behaviour.
- That some or all of the private sector landlords who have let premises in the area (whether under leases or licences) are failing to take action to combat the problem that it would be appropriate for them to take.
- There are a significant number of properties in poor condition in Brooklands and Romford Town wards.

1.9 For the proposed extension of Additional Licensing in the remaining six wards in the Borough namely Cranham, Emerson Park, Hacton, Hylands, St Andrews and Upminster there is evidence which shows that there is a significant proportion of the

HMOs of the relevant description in the area being managed sufficiently ineffectively as to give rise, or to be likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public.

1.10 The evidence to support the introduction of discretionary licensing in the area was presented in the May 2019 Cabinet Report before the start of the consultation. A full evidence report will be placed in the member's room for reference.

1.11 Licensing Objectives

The objective of the licensing schemes is to:

- Benefit neighbourhoods and local communities in terms of reducing anti-social behaviour and crime, making Havering a safer and more desirable place to live.
- Improvement in the physical condition, management practices and overall quality of PRS properties make sure more landlords manage their properties responsibly and regulate rogue landlord activity.
- Continued promotion of landlord training and accreditation schemes and support for landlords in dealing with anti-social tenants.
- Focus enforcement on landlords that provide below standard accommodation and have unlicensed properties.
- Provide a light touch solution for landlords who meet the requirements and already provide good quality accommodation and service.
- Provide more protections for private rented tenants.
- Education for tenants in their responsibilities to behave in a tenant like manner.

2. The Legal Framework

2.1 Under the Housing Act 2004 a Local Authority has the power to designate the whole or any parts of its area as being subject to selective licensing and/or additional licensing for HMOs.

2.2 Certain conditions are required to be met before any licensing designations can be made, these are detailed in the above section and in the legal implications within this report.

2.3 Prior to adopting the extension of the additional (HMO) licensing scheme and introduction of the selective licensing scheme in the proposed wards the local authority must consider:-

- a. whether there are other courses of action available that might provide an effective method of achieving objectives that the designation would be intended to achieve and
- b. that making the designation will significantly assist it to achieve the objective or objectives.

- 2.4 Before the designations are made, the Council must ensure that they are consistent with the overall Housing Strategy and must seek to adopt a co-ordinated approach in tackling homelessness, empty properties and antisocial behaviour in the privately rented sector whether on its own or in combination with other measures.
- 2.5 The designations, if any are made, may be challenged by judicial review. The Council will need to consider alternative options in the event of a successful challenge. The time limit for issuing a claim for judicial review is three months from date of designation.
- 2.6 Alternatives to licensing

The Council, and its partners, have attempted to resolve the problems associated with anti-social behaviour, sub-standard accommodation, poorly managed HMOs using a number of methods, but none have been capable of providing an effective widespread solution to the problems experienced. The courses of action already in place or considered are set out in the table below.

Type of action	Description
Landlord Accreditation and Engagement	This is a voluntary scheme and has been available for several years. Havering has a low rate of accreditation compared with other London boroughs. The proposed license fee will offer a discount to accredited landlords. Engagement events will be delivered throughout the proposed scheme.
Community Safety Partnership	Although powers under the partnership can be effective at addressing problem behaviour of individuals, they are not capable of regulating the management and occupation of HMOs.
Part 1 Housing Act	Complaint work only deals with a very small number of properties, many poor conditions are 'hidden' due to tenants not reporting problems with their landlords. The process is also slow and relies on pre-informed inspections.
Enforcement HMO Management Regulations	Powers already being used, however currently relies on tenants reporting problems and reactive visits. General under reporting due to tenants fear of repercussions
Nuisance and Noise	Powers come under EPA 1990 to prosecute offenders are not suitable for addressing the majority of problems associated with the PRS that the Council has identified.
Article 4	Article 4, which seeks to control the creation of new HMOs is in place and can be expected to reduce the number of new HMOs being created in the Borough. However, this does not help address standards in existing HMOs

Homelessness	The additional licensing designation will provide greater protection for assured short hold tenants living in unlicensed HMOs and protect against retaliatory evictions.
Empty properties	Empty properties are not a significant issue in the Borough as Havering is not an area of low demand for housing. However where they are identified action is taken to help bring them back into use. Licensing and the use of data management tools will assist in the identification of these properties and targeted action can be taken.

2.7 Existing additional licensing

The existing scheme is being implemented successfully and through its operation has uncovered a significant level of housing crimes. This non-compliance has been worse than expected and enforcement action has been intelligence led focussing on unlicensed properties and those with high levels of anti-social behaviour. Key outputs from April 2018 to May 2020 are;

- 50 multi-agency operations, involving Police and Home Office Enforcement Officers
- 185 Financial Penalty Notices with a value of £655,000

2.8 Any designation cannot come into force until the lapse of 3 months after the date it is made. If the designations are agreed there will be a comprehensive publicity campaign inviting landlords to license and an awareness campaign for residents to report rental properties which might not be licensed.

2.9 If the designations are approved the authority will review the operation of the licensing scheme from time to time. This will be essential to monitor the progress of the scheme and the effectiveness of dealing with rogue landlords.

2.10 It is proposed that an initial review is carried out at the end of the first year of enforcement in October 2021 with a further review towards the end of year 4 which will be useful for determining the strategic direction of the scheme in particular if a further one is required.

3. Consultation

3.1 Before making a designation under Part 2 (additional licensing) and Part 3 (selective licensing) of the Housing Act 2004, the authority must undertake all reasonable steps to consult persons who are likely to be affected by the designation, and consider any representations made in accordance with the consultation and not withdrawn. The statutory consultation must be for a minimum period of at least ten weeks.

3.2 The council has run informal events and a formal consultation in respect to licensing since 2017, a landlord forum was established in Havering in June 2019. This, and a

current evidence report, were used to inform the basis of the statutory consultation which ran from 26 June 2019 to 20 September 2019.

The outcome from the statutory public consultation was that:

- There is general support and consensus among all represented groups for licensing HMOs and that this should be expanded to cover the remaining six wards.
- The response shows strong support for HMO licensing, the majority choice being 'strongly agree' (52%). By collating the agree/strongly agree and disagree/strongly disagree categories it can be seen that, 66% of respondents agreed with the proposal with 34% against.
- By collating the agree/strongly agree and disagree/strongly disagree categories it can be seen that that 44% agree and 38.5% disagree with the fee proposal for HMO licensing.
- There are strong opinions both for and against selective licensing. The views are split broadly between landlords being opposed and residents, tenants and a handful of landlords being supportive of a scheme.
- By collating the agree/strongly agree and disagree/strongly disagree categories it can be seen that 52.5% agree and 47.5% disagree with the selective scheme proposal.
- There is considerable opposition to the proposed fee for selective licensing. By collating the agree/strongly agree and disagree/strongly disagree categories it can be seen that 61.47% disagree and 34% agree with the proposal.
- Most opposition to the scheme stemmed from the fee element, although many landlords and agents agreed with registering landlords.
- There was strong support for offering a discount for early applications, with 66% agreeing and only 19% disagreeing.
- 69% agreed with reduced licence sanction for criminal landlords.
- There was strong support for the proposed licence conditions.

3.3 A summary of the consultation responses & the Councils responses to these is attached at Appendix 3. This includes the questionnaire responses, consultation events, written submissions and the Council's consideration of responses to the consultation and any changes to the proposals.

3.4 Several changes were made to the proposals as a result of comments received. The wording of some conditions were amended. Also a further review was carried out of the fees schedule, as a result a decision has been made, not to offer a discount on the additional (HMO) fees but also not to increase them, to keep them in line with the current additional scheme operating in the rest of the Borough. A early bird discount has been applied for selective licensing fees to encourage compliance with the new scheme. A further review of the licensing fees, including mandatory licence fees, will be carried out later in the year. A review of the inclusion of 257 HMOs was also revisited due to Safeagent feedback which has not resulted

in any change to the designation but an amendment to the services Enforcement Policy.

3.5 A Members' briefing session was held on 29th October 2019 to discuss the proposal and consultation feedback. Members welcomed the introduction of the licensing schemes and emphasised the need for enforcement.

3.6 At an Overview and Scrutiny sub-committee meeting held on 22nd September 2020 additional comments were asked to be added into this report. These were as follows:-

1) Further intervention options. (See Appendix 1, Section 4, sub section 4.4 Interventions currently not in use) The Cabinet should adopt the further intervention options available to the Council to improve Housing conditions including the following:-

- a) In the future extend the number of properties covered by discretionary licensing;
- b) Focus resources on the areas with the worst conditions; and,
- c) Continue multi agency enforcement.

As the report sets out to maintain the effective and legitimacy large scale licensing schemes they should be backed by robust, targeted enforcement, and be part of a wider strategy to improve the private rented sector and/or tackle anti-social behaviour (see Core Cities Licensing Report Moffatt/Watson 2018)

2) Licensing Conditions. (See Appendix 2 Consultation Report para 3.3.5) Tenant & Management Conditions should be written with the needs of neighbourhoods in mind.

3) Service Standards for processing Licence Applications (See Appendix 3 Collation & Summary of Consultation Responses page 2) In response to the Residential Landlords Association comments regarding the Fee Structure Documentation and processing licence applications -

4) Point of Contact for reporting concerns (see Appendix 3 Collation & Summary of Consultation Responses page 8) The Final Cabinet Report should contain more details of the proposed 'Report it' tool to be available on the Council Website which will be used as a point of contact for adjoining property owners to inform the Authority of concerns including overcrowding and anti-social behaviour.

5) The role of Letting Agents in effective management of the private rented sector (see Appendix 3 Collation & Summary of Consultation Responses page 11) - The Final Cabinet Report should contain a clear policy statement that it welcomes effective dialogue with letting agents and looks forward to building this relationship via the Landlord Forum. Also it will hold further events to encourage liaison with professionals working in the private rented sector.

6) Comprehensive Communication Plan (see Appendix 3 Collation & Summary of Consultation Responses page 19) - The Final Cabinet Report should set out a draft comprehensive communications plan to improve contact with landlords and agents.

REASONS AND OPTIONS

4. Reasons for the decision:

- 4.1 Havering has become a sought-after location for buy to let investors as it is currently more affordable with higher yields than other Boroughs. This is borne out by the growth of the private rented sector in Havering over the last few years. The demand for housing in the South East is still predicted to grow putting more pressure on housing supply. Licensing provides a useful tool to regulate this sector and raise the standards in private rented accommodation, contain ASB and regulate HMOs.
- 4.2 It is also considered that the renewal of additional and/or selective licensing schemes in neighbouring local authorities has exacerbated the problems that already existed within Havering's private rented sector. The licensing regimes threaten to displace the worst landlords from those boroughs and drive them into boroughs that do not operate any form of non-mandatory private rented housing licensing which are, therefore, seen as being more lightly regulated.
- 4.3 There is evidence that a significant proportion of these landlords are operating in Havering and further licensing is required to counter act this displacement. Through the successful enforcement of the current HMO licensing scheme poor and dangerous housing conditions have been unearthed by proactive enforcement against unlicensed HMOs. It is therefore important for Havering to continue to implement suitable measures to enable it to reduce such displacement and to bring unscrupulous landlords to account.
- 4.4 In response to these issues, it is anticipated that the introduction of more robust controls, such as those achievable through discretionary licensing, will (i) further deter the migration of rogue landlords into Havering, (ii) provide an opportunity to drive up standards within the private rented sector (iii) reduce antisocial activity often linked to poorly managed properties. A more proactive approach to tackle these complex issues will see benefits for landlords, tenants and local residents.
- 4.5 Other options considered:
- To retain additional licensing in only six wards.
 - Not to designate any of the Borough for additional or selective licensing.
 - Introduce selective licensing in more areas than Romford Town and Brooklands

IMPLICATIONS AND RISKS

Financial implications and risks:

- 5.1 If the selective and additional licensing scheme is agreed, the scheme will need to be cost neutral over the five-year duration. Fee income is forecasted to peak in the next financial year so will require ring fencing to meet subsequent years funding requirements. Fees must be set at a level which are reasonable and proportionate, and it would be ultra vires to make more money than it costs to administer the licensing scheme.
- 5.2 The Council has experience of running an additional licensing scheme and an understanding of landlord compliance and behaviour which has been used to forecast income and costs. The income achieved to date has been below forecasted and has required robust enforcement to root out unlicensed properties. The profile over five years for the proposed scheme has been adjusted to take account of this experience.
- 5.4 Civil penalty income will be recycled into enforcement and has not been included in the figures as it cannot be predicted.
- 5.5 It is proposed to operate a two part fee structure where a Part A fee is charged for the administration and processing cost of the licence which is non-refundable, and if the licence is approved, a further Part B fee will be charged to cover the management and enforcement of the scheme in view of the most recent case law on this subject. The proposed fees are attached Appendix 7.
- 5.6 The profile of income and expenditure over the life of the scheme is shown in the table below

Cabinet Report OCT 2020 - Financial Plan							
	Yr 1 (2020/21)	Yr 2 (2021/22)	Yr 3 (2022/23)	Yr 4 (2023/24)	Yr 5 (2024/25)	Yr 6 (2025/26)	Totals
License Fee Income	-473,115	-709,672	-354,836	-354,836	-236,557	-236,557	-2,365,574
Expenditure	422,446	494,998	566,162	410,999	282,577	188,390	2,365,573
Net	-50,669	-214,674	211,326	56,163	46,020	-48,167	0

Table notes

- Expenditure includes, IT infrastructure, staff costs, legal fees and communication costs.
- Income has been estimated based on expected applications per year over the five-year period for both the new additional and selective schemes.
- The profile assumes peak applications will be in years one and two of the schemes.

- 5.7 This scheme is expected to be fully self-financing over the five-year period. This forecast is based on a high compliance figure emphasising the need for unlicensed properties to be identified and licensed throughout the life of the scheme. Due to the timing of the introduction of the scheme against the financial year the net cost in later years may not be offset by the potential income in the same period due to the lower numbers of applications expected. The year two net position will be held as a reserve to fund the future year's deficits.
- 5.8 The above figures do not include the set-up costs £87,000 (staff, consultation and communications costs) which have already been met from the existing budget.
- 5.9 For 2020/21, and beyond, a prudent approach has been taken and it is expected that the scheme will breakeven at the end of the five-year period.
- 5.10 There are risks associated with the scheme, whether the income targets will be achieved and whether these will be sufficient to offset the costs incurred. Income and expenditure will be closely monitored throughout the life of the schemes.
- 5.12 If the licence fee income does not cover the cost there is a risk to the general fund although the risk will be mitigated by employing a robust enforcement approach to ensure all properties which require a licence are licensed.

6. Legal implications and risks:

- 6.1 This report seeks Members approval to introduce an extension of the existing additional HMO licensing scheme to a further 6 wards as set out in the report, and to introduce selective licensing scheme in the wards of Brooklands and Romford Town. The statutory tests for additional HMO licensing and selective licensing are set out in the body of this report. Under the Housing Act 2004 a Local Authority has the power to designate the whole or parts of its area as being subject to Selective licensing and / or Additional Licensing for Houses in Multiple Occupation.
- 6.2 Under section 80 of The Housing Act 2004 a Local Authority can designate whole or any parts of its area subject to Selective Licensing and this applies to privately rented properties in the area. Before designating a Selective licensing area, the Council must consider;
- a) The area is or is likely to become an area of low housing demand and that the conditions in the areas will be improved by the designation combined with other measures or;
- b) That the area is experiencing a significant and persistent problem caused by anti-social behaviour which is not being dealt with by private landlords and that designation will in combination with other measures lead to a reduction in or elimination of the problem.

- 6.3 Under The Selective Licensing of Houses (Additional Conditions) (England) Order 2015 a Selective Licensing designation may be made if the area to which it relates satisfies one or more conditions as set out in paragraph 1.6 of the report.
- 6.4 Before designating further areas for Additional Licensing, under section 56 (2) of the Housing Act 2004 the authority must be satisfied that a significant proportion of the HMOs of the relevant description in the area are being managed sufficiently ineffectively as to give rise to, or to be likely to give rise to, one or more particular problems either for those occupying the HMOs or for members of the public. A significant proportion means a proportion of the overall HMOs of the description falling within the proposed designation which the Authority considers to be significant (bearing in mind local conditions). This test applies to each area proposed for Additional licensing.
- 6.4 Before the designations are made, the Authority must consider the matters set out in sections 1 and 2 of this report. They must also ensure they are consistent with the overall Housing strategy and must seek to adopt a co-ordinated approach in tackling homelessness, empty properties and antisocial behaviour in the privately rented sector whether on its own or in combination with other measures.
- 6.5 Further to paragraph 1.5 the selective licencing proposal covering Romford Town and Brooklands wards is below 20% of Havering council's geographical area and below 20% of its privately rented properties. Therefore scheme does not require a submission to the secretary of state.
- 6.6 The Council must take reasonable steps to consult with persons likely to be affected by the proposed designations such as local residents, businesses, landlords, tenants, and managing agents within the proposed and surrounding area. This has taken place and members must consider the responses before a decision is made and be satisfied that; i) an effective consultation has taken place ii) the proposals were consulted on at a formative stage, iii) sufficient reasons have been given for the proposals to enable the consultees to consider them and respond intelligently, iv) adequate time has been allowed for consideration and response. This has been set out in the body of the report and in Appendix 2 the Consultation Report.
- 6.7 If implemented the proposed schemes may be challenged by way of judicial review. The Council will need to consider alternative options in the event of a successful challenge. Although the public consultation ended in September 2019, the decision for the implementation of the proposed schemes has inevitably been delayed due to the COVID19 pandemic. Any claim for judicial review in respect of the delay is very likely to be unsuccessful. The time limit for issuing a claim for judicial review is three months from the date of the designation.

7. Human Resources implications and risks:

- 7.1 The staffing requirements have been forecasted as part of the fee setting exercise. Staffing is required to be bolstered on the enforcement side once the scheme goes

live later in 2020. Investment in technology has kept these requirements to a minimum. Any recruitment activity or engagement of agency worker resources will be undertaken in accordance with the Councils usual recruitment and selection policies & procedures.

8. Equalities implications and risks:

8.1 The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- i. the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- ii. the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- iii. foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

8.2 The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

8.3 An equalities assessment was carried out prior to the consultation and has been reviewed following this consultation. There are no significant impacts on any of the protected characteristics and as such is not appended to this report but listed

9. Health and Wellbeing implications and Risks:

9.1. Housing is a key wider determinant of health and improving the quality of housing will improve health and wellbeing of the community.

9.2. The proposed selective and additional licensing will improve management practices in private rented properties, reduce the negative impact of below standard and poorly-managed accommodation in the private rented sector.

9.3. Public health is therefore supportive of the proposed introduction of a selective licensing scheme in the two wards to reduce the poor housing conditions, reduce anti-social behaviour and improve quality of housing.

9.4 The COVID 19 pandemic is a global and national emergency with serious impact on lives and socio economic activities. National guidance recommends social distancing measures, working from home and only essential travels to reduce further risk to lives.

Given the threat to lives posed by the ongoing pandemic, the overriding consideration is to follow national guidance to protect lives. This decision is consistent with that guidance.

Appendix 1: Private Rented Sector: Housing Stock Condition and Stressors Report

Appendix 2: Havering Consultation Report October 2019

Appendix 3: Collation & Summary of Consultation Responses & LBH Response

Appendix 4: Designation of an area for Additional Licensing

Appendix 5: Designation of an area for Selective Licensing

Appendix 6: Additional and Selective Licensing Conditions

Appendix 7: Licence Fees

Appendix 8: Equality & Health Impact Assessment

BACKGROUND PAPERS

None