


FORM S & PP 3

 Walsall Council	REPORT OF THE CORPORATE & PUBLIC SERVICES OVERVIEW AND SCRUTINY COMMITTEE	DATE: REF.NO:
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TITLE OF THE MATTER CALLED-IN: Proposed Selective Licensing

DATE CONSIDERED BY CABINET: 14 February 2018

CABINET PORTFOLIO HOLDER: Councillor D. Coughlan

DATE OF OVERVIEW AND SCRUTINY MEETING: 05 March 2018

Grounds under which the matter was called in for scrutiny:

For the wide debate and scrutiny of the implications and costs of administration and sanctions that will be applied for those that do not pay for a licence and, the sanctions for those that are found to be in breach of such a licence. Also to look at the wider implications of the increases in rent if those charges are passed on to tenants.

Record here the Overview and Scrutiny Committee conclusions and proposals:

The Committee heard representations from representatives of the Landlord Steering Group (LSG) and the Portfolio Holder for Social Care.

Invited parties from the LSG raised the following issues:

- Consultation for the proposed scheme was inadequate. Specifically, consultation with landlords directly was weak which was evidenced by the low number of landlord responses to the consultation. Further concerns were highlighted in relation to the lack of engagement with the LSG;
- Selective Licensing was a tool that could not be used in isolation. Proposals should be carried out using existing strategic policies. Existing legislation was already available to Local Authorities and would be a more effective tool to deal with issues of poor housing conditions;
- Mandatory Licensing regulations on Houses with Multiple Occupation (HMO) would be coming into force in 2018 which would provide the tools to tackle properties that do not meet the required standards;

- Concerns were raised regarding the impact of the licensing scheme on good landlords who would be forced into paying higher costs. Representatives from the LSG commented that bad landlords would evade participating in the proposed scheme. Good landlords should be rewarded for looking after tenants and providing decent housing;
- It would be better to share good working practices and supporting vulnerable tenants whilst targeting bad landlords rather than a blanket approach that may not engage the worst landlords;
- There was a risk that increased costs for landlords would be passed onto tenants through increased rents. In this regard, the impact assessments and consultation had not taken into consideration the impact to vulnerable, low income tenants and homelessness;
- Research carried out by the LSG indicated that at least half of mortgage providers would not lend for buy to let properties where licensing schemes operate. This could have a negative impact on the number of properties available for local people;
- Selective Licensing was omitted from a review of Homelessness in Walsall, the draft Homeless Strategy 2018 – 2022 and Walsall’s Housing Strategy 2012 – 2016;
- A number of Local Authorities had completed consultation on proposals for selective licensing and decided against its implementation;

The Portfolio Holder for Social Care reported that there was a need to tackle problematic areas to ensure fit and proper housing. Licensing landlords was a method of improving housing for tenants. The Council had taken a proactive approach and undertaken a robust consultation noting that Selective Licensing had been successful in other areas.

The Committee concluded that a Walsall approach was required which rewarded good landlords as such schemes had been successful with other Local Authorities. They also concluded that the process would benefit from additional consultation thus ensuring that a full consultation process has been completed. The authority would then be in a position to robustly defend its positions should an application for judicial review be made.

Record here the specific recommendations of the Overview and Scrutiny Committee:

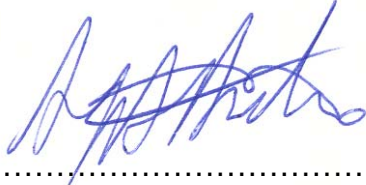
That, Cabinet reconsider proposals to introduce a Selective Licensing scheme to allow further consultation with Walsall landlords to ensure a full consultation process has been completed and is in a position where any application for judicial review can be robustly defended.

Explain here how the proposals/recommendations of the Overview and Scrutiny Committee differ from those of Cabinet:

The recommendation asks Cabinet to delay the decision to allow further consultation with landlords. If further consultation is carried out this feedback will need to be evaluated and could have an impact on the whether the Council proceeds with a selective licensing scheme.

This form provides an accurate record of the meeting of the above named Overview and Scrutiny Committee.

Chair of Overview and Scrutiny Committee



Signature: **Date:** ...14 March 2018.....