



Full Council

**Thursday, 06
February 2025**

**Matter for
Information and
Decision**

Report Title: Proposed Selective Licensing Scheme (2025-2030)

Report Author(s): Ben Clark-Monks (Selective Licensing Team Leader)

Purpose of Report:	To provide members with sufficient information to decide if they wish to adopt a further Selective Licensing scheme in the Borough for the period of 2025 – 2030, following the expiration of the existing scheme
Report Summary:	The report details the proposed selective licensing scheme, associated resource matters, supporting evidence and information gathered by Officers following an extensive consultation process to allow members to make an informed decision on the recommendations outlined below.
Recommendation(s):	<p>A. That a Selective Licensing Scheme (2025-2030) referenced as SLS-A be approved and declared as outlined in paragraphs 4 of this report; or</p> <p>B. That a larger Selective Licensing Scheme (2025-2030) referenced as SLS-B be approved and declared as outlined in paragraphs 5 of this report;</p> <p>And</p> <p>C. Approve a review of staffing and resource within the Selective Licensing team to ensure there is sufficient resource and capacity in place to effectively deliver any approved scheme.</p> <p>D. Approve the fee structure set out in paragraph 8.</p> <p>E. Approve the Selective Licensing and Enforcement Policy (2025 – 2030) outlined in paragraph 9 and attached at appendix 5</p>
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	<p>Teresa Neal (Strategic Director) (0116) 257 2642 teresa.neal@oadby-wigston.gov.uk</p> <p>Dave Gill (Head of Law and Democracy/Monitoring Officer) (0116) 257 2626 david.gill@oadby-wigston.gov.uk</p> <p>Jon Wells (Strategic Manager) (0116) 257 2692 jon.wells@oadby-wigston.gov.uk</p> <p>Ben Clark-Monks (Selective Licensing Team Leader) (0116) 257 2883</p>

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Strategic Objectives:	Our Council (SO1) Our Communities (SO2) Our Economy (SO3) Our Environment (SO4) Our Partners (SO5)
Vision and Values:	"Our Borough - The Place To Be" (Vision) Customer & Community Focused (V1) Proud of Everything We Do (V2) Resourceful & Resilient (V4)
Report Implications:-	
Legal:	The implications are as set out at paragraph 7 of this report.
Financial:	The implications are as set out at paragraph(es) 4.6, 5.7 and 8 of this report.
Corporate Risk Management:	Decreasing Financial Resources / Increasing Financial Pressures (CR1) Regulatory Governance (CR6) Organisational / Transformational Change (CR8) Economy / Regeneration (CR9)
Equalities and Equalities Assessment (EA):	There are no implications arising from this report. EA not applicable.
Human Rights:	There are no implications arising from this report.
Health and Safety:	There are no implications directly arising from this report.
Statutory Officers' Comments:-	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	The report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	The Council has undertaken an extensive consultation process, which is outlined at paragraph 6 of this report with evidence appended as per the appendices section of this report.
Background Papers:	<ul style="list-style-type: none"> • Selective licensing in the private rented sector: a guide for local authorities - GOV.UK • The Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2024 - GOV.UK
Appendices:	<ol style="list-style-type: none"> 1. Consultation Outcome Report (To Follow) 2. Summary of Consultation Responses (To Follow) 3. Summary of Selective Licensing Engagement Q&A (To Follow) 4. Consultation Request Card 5. Selective Licensing and Enforcement Policy (2025 – 2030)

1. Background

- 1.1 Selective licencing is a discretionary power granted to Local Authorities under sections 80 to 84 of the Housing Act 2004. These powers allow an Authority to designate an area or the whole of its municipal area as a designated area of Selective Licensing.
- 1.2 Following a review of the powers in 2015 designations fell into two categories, those that designate less than 20% of the Authority's area or less than 20% of the total private rented stock, known as general approval designations or those that are above this level which require approval by the Secretary of State.
- 1.3 On the 16th December an announcement was made by the Ministry for Housing Communities and Local Government (MHCLG) that as from the 23rd December 2024 a new General Approval would come into force which removed the requirement to seek Secretary of State approval for larger schemes.
- 1.4 However as consultation had already commenced for the proposed scheme at the date the general approval came into force a question was added to the consultation questionnaire on the 17th December 2024 to gain feedback from consultees to see if there was support for a larger scheme following the removal of restrictions on larger schemes.
- 1.5 Due to this recommendation B has been added to this report to present members with an alternative larger scheme for consideration.
- 1.6 The Housing Act 2004 grants Authorities the power to designate an area of Selective Licensing, for an area to be designated it must have at **least one** of the issues presented below.
 - 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.
- 1.7 The Ministry for Housing, Communities and Local Government (MHCLG) in their guidance documents for Local Authorities states that "Selective licensing is not a tool that can be used in isolation" and that any Authority looking to introduce a wider housing strategy must also consider the following factors:
 - Homelessness
 - Empty homes
 - Regeneration
 - Anti-social behaviour associated with privately renting tenants
- 1.8 Once an area is designated for Selective Licensing all residential properties let by a private landlord in the area need to be licenced. Local Authorities are able to charge a fee for a

licence to cover the cost of administering the scheme and any designation may last for up to 5 years.

- 1.9 The licences issued contain conditions which the licence holder must adhere to during the term of the scheme. Those that fail would be committing an offence and could be subject to late application fees, fines or legal action being taken against them.

2. Why Continue Selective Licensing

- 2.1 The Selective Licensing team and wider Private Sector Housing team have made progress in conjunction with other internal departments to address the areas noted within the MHCLG guidance document below.

- **Homelessness** – The team have been working closely with the Housing Options team to try and salvage tenancies or dealing with landlord harassment where issues occur to prevent homelessness, along with engaging with property owners to try and secure leased properties to use as temporary accommodation and providing supporting evidence for housing applications to increase housing application bandings when properties are not suitable.

- **Empty homes** - The Council adopted a new empty homes strategy in March 2023, which created a cross departmental empty homes working group consisting of officers from Private Sector Housing, Revenues and Planning to use existing resource to tackle empty homes within the Borough. This approach has seen a 40% reduction in empty homes within the Borough.

- **Regeneration** - The team have also delivered in excess of £1.5 Million of energy efficiency grant funding to private properties across the Borough to aid the regeneration of the housing stock generally across the whole Borough and continue to engage with the Midlands Net Zero Energy Hub to secure further funding. The private sector housing team have also been working with the economic regeneration team to make contact with mixed use buildings to engage with landlords to access shop front grants to improve the visual appearance of Blaby Road, South Wigston.

- **Anti-social behaviour associated with privately renting tenants** – Since the Selective Licensing scheme has been in place the Council in conjunction with the Police have undertaken two closure orders to prevent addresses perpetuating Anti-Social behaviour within the South Wigston ward.

- 2.2 Property licensing is an effective tool to ensure compliance within the private rented sector as it removes the pressure from the tenant to raise concerns about the property and also provides landlord with clear guidance on what is expected from them and also provides them with a support network should they have issues or concerns in relation to their property.

- 2.3 The council has considered alternatives to Selective Licensing to address the issues. Comments on these approaches can be found below.

Alternative Solutions	Comments
Local landlord accreditation scheme	Introducing a local voluntary accreditation scheme would be significantly resource intensive and as a voluntary programme, likely to only engage proactive landlords as opposed to landlords who may need additional support or training or criminal landlords.

	This is why landlords of existing accreditation schemes would benefit from a discount to reward them for their proactive attitude
Management and training support to private landlords	Again this approach would be resource intensive and impractical to deliver without a licensing scheme, however should a further scheme be designated, dedicated training events will be explored to upskill landlords within the Borough.
Introduction of private sector leasing scheme	The Council have introduced a private sector leasing scheme, this has been developed by the empty homes working group in conjunction with the Housing Options department, however this scheme is typically engaged with empty properties as leasing properties that are currently occupied will increase the levels of homelessness not reduce it, which is the purpose of the leasing scheme.
Targeted use of Special Interim Management Orders and Empty Dwelling Management Orders	The use of management orders is very resource intensive, although the Council is currently using management orders as part of their escalated enforcement procedure for the current scheme, identifying these properties without the resource granted by the scheme would be extremely challenging.
Reactive Approach	The Council continues to respond to reactive complaints received from tenants across the Borough, however if the Council were to revert to this approach the capacity built up from the Selective Licensing scheme would be lost and the department would revert to having 1 full time equivalent officer to manage the private rented sector of approximately 5000 properties, whilst also maintaining a caseload of generic Environmental Health cases

2.4 As illustrated above there are a range of powers available to the Council, but on their own they would be widely ineffective or reactive, whereas when built into the foundation of Selective Licensing it allows the Council to be more effective and achieve greater results across the private rented sector.

3. Meeting the Test

3.1 Having reviewed the guidance, legislation and available evidence into the possibility of proposing a further Selective Licensing scheme within the Borough, there is not sufficient evidence to warrant a Borough wide licensing scheme due to the varied nature of the Borough.

3.2 There is sufficient evidence to support the introduction of a scheme within the South Wigston and parts of Wigston with specific areas outlined at point 4 and 5 of this report.

3.3 **A significant and persistent problem caused by anti-social behaviour**
Responses from the Community Safety Partnership survey of residents 2022/23 noted that 71% of the residents that responded were concerned about Crime, Anti-Social Behaviour or Community Safety in their area, with 81% of respondents from South Wigston answering Yes, this was a concern for them.

With 80% of Wigston Residents stating that Crime and Anti-Social Behaviour had increased or stayed the same over the last 12 months, 85% of South Wigston and 78% of Oadby residents with the same response.

Along with these statistics only 16% of Oadby, 22% of South Wigston and 24% of Wigston residents were satisfied with public services dealing with Crime, Anti-Social Behaviour and Community Safety in their areas, with 41% of respondents in South Wigston reporting they had been victims of crime or anti-social behaviour in the Borough.

3.4 **Poor housing conditions**
Housing standards service requests are a statutory duty required to be investigated by Local Authorities. Below is a table outlining service requests received that relate to Housing divided by Ward between 1st April 2019 and 31st March 2024.



As can be seen from the chart above a significant number of requests received relate to properties in South Wigston, which is part of the reasoning for the proposed future scheme including Blaby Road to allow for further proactive work to continue in the area. There are also a high number of service requests received from Wigston Fields.

An outlier in relation to these figures is Oadby St Peters with the second highest number of requests, which whilst not being considered within this proposal, will continue to be monitored, to see if this trend continues.

3.5 **High levels of crime**

Crime is not typically reported at a ward level, as Leicestershire Police report crime based on their beat team divisions which for the Borough are South Wigston, Wigston and Oadby, below are reported levels between April 2023 and March 2024 compared to population levels, along with a graph from the Police website showing the last three years crime levels for the areas

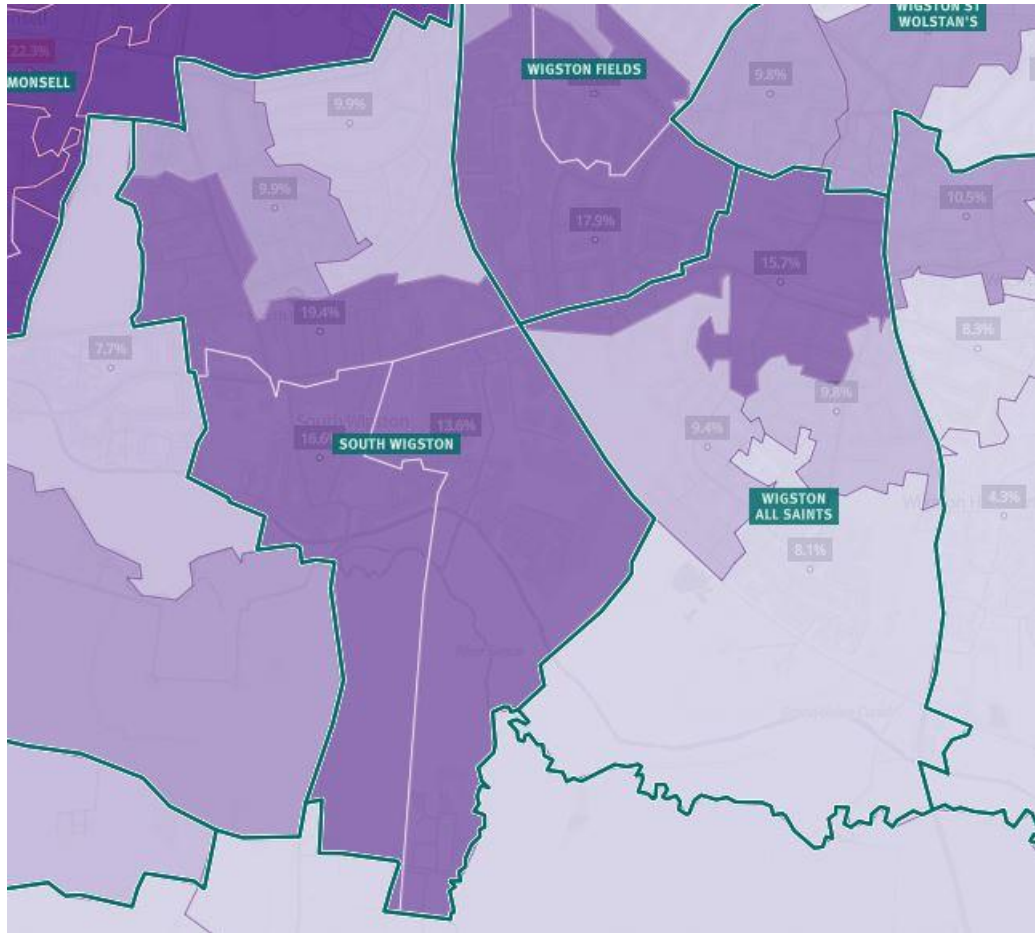
- **South Wigston** – Within the period from April 2023 to March 2024 there were 922 crimes recorded, with the most recent elector numbers for the ward noted as 6067, meaning 1 in 6 residents have been victims of crime.
- **Wigston** – Within the period from April 2023 to March 2024 there were 1856 recorded crimes with the most recent elector numbers for the Wigston wards totalling 20,259, meaning 1 in 10 residents have been victims of crime.
- **Oadby** – Within the period from April 2023 to March 2024 there were 1410 recorded crimes with the most recent elector numbers for the Oadby wards totalling 17,360, meaning 1 in 12 residents have been victims of crime.

3.6 High levels of deprivation

Oadby and Wigston ranks 249 out of 317 on the Index of Multiple Deprivation (IMD) 2019 local authority rank. Oadby has less areas categorised as the most deprived areas nationally in comparison to Wigston. Wigston has five Lower layer Super Output Areas (LSOAs) that are in the 30% most deprived areas nationally. The mean deprivation rating for England is 21.67 and the information below outlines the comparison between national levels and the levels within the potential designation along with a local within Borough comparison.

- **South Wigston** – Is the most deprived ward within the Borough with an average rating of 21.94 which is above the national average, however when the Fairfield estate is removed as proposed within any new designation this increases to 27.50 demonstrating the increased levels of deprivation within the vicinity of Blaby Road, with the highest score registered in the area being north of Blaby Road with a score of 31.48.
- **Wigston Fields** – Closely follows South Wigston with an average deprivation score of 21.92 across the four LSOAs within the ward, all of which are proposed to be included in any future potential designation, with the highest score registered at 32.89 in the centre of the ward in the vicinity of Rolleston Road.
- **Wigston All Saints** – Has an average score of 14.76, however there is a significant range within the All Saints ward as illustrated by the map below with the lowest score in the ward being 5.93 and the highest being 31.27 located in the vicinity of Moat Street, part of this area is proposed to be included within both recommendations.
- **Oadby Uplands** – In contrast the average score for the Uplands ward is 7.11 with the highest score being 8.59 in the vicinity of Uplands Road. Oadby Uplands is not proposed to be included as part of the scheme but has been used as a point of comparison.

Below is a map taken from the department for Health and Social Care's SHAPE atlas tool which maps deprivation levels across England, with areas of higher deprivation being illustrated in darker shades of purple.



4. Proposed Selective Licensing Scheme Area (Recommendation SLS-A)

- 4.1 SLS-A presents the area initially consulted on prior to the change to the general approval and is compliant with the previous approval encompassing 16.4% of the total geographic area of the Borough and 19.3% of the total rental stock within the Borough, both of which were required to be below 20%.
- 4.2 When designing SLS-A greater consideration has been given to trying to encompass the greatest areas of deprivation within the Borough as opposed to focusing on traditional ward boundaries, this is illustrated within the map below, with the areas outlined in red.



Area within Wigston

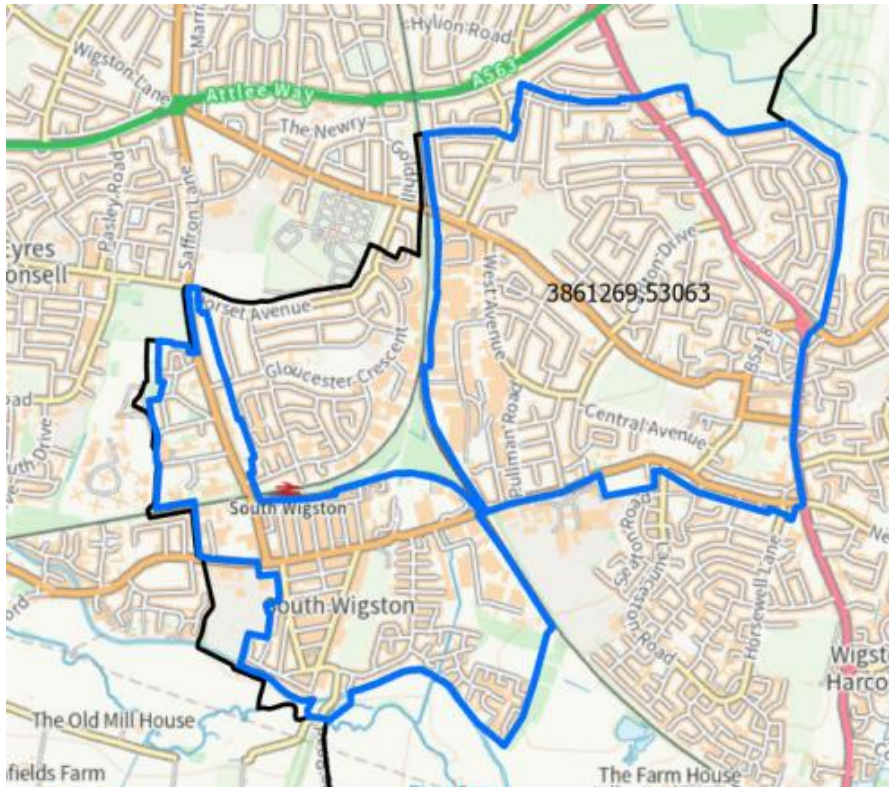


Area within South Wigston

- 4.3 SLS-A is estimated to equate to approximately 900 rented properties across the designated area.
- 4.4 To ensure the scheme is effectively delivered the following officers would be required (descriptions of posts can be found at 8.9 of this report).
- 1x Senior Environmental Health Officer
 - 1x Selective Licensing Officer
 - 1x Community Warden
 - 1x Selective Licensing Apprentice
- 4.5 It is estimated that SLS-A would generate approximately £750,000 over the 5 year term of the scheme.

5. Potential Larger Selective Licensing Scheme Area (Recommendation SLS-B)

- 5.1 With the new general approval which came into effect on the 23rd December 2024, it was decided that members should be presented with an option to consider a larger scheme and the consultation would be amended to gauge public opinion.
- 5.2 SLS-B would still focus on the South Wigston and Wigston Fields wards but would also encompass a greater percentage of the area with the restrictions of the previous general approval being withdrawn, allowing significantly more of Wigston to be included.
- 5.3 Again when designing SLS-B greater consideration has been given to trying to encompass the greatest areas of deprivation within the Borough as opposed to focusing on traditional ward boundaries, this is illustrated within the map below, with the area outlined in Blue.



5.4 SLS-B is estimated to equate to approximately 1600 rented properties across the designated area.

5.5 Due to the size of the designation the proposed greater staffing resource would be required to effectively deliver the scheme, therefore the following officers would be required (descriptions of posts can be found at 8.9 of this report).

- 1x Senior Environmental Health Officer
- 1x Senior Selective Licensing Officer
- 2x Community Wardens
- 2x Selective Licensing Apprentices

5.6 The introduction of a Senior Selective Licensing officer within this designation recognises the additional burden placed on this officer when supporting the Senior Environmental Health Officer in the management of the scheme and larger team.

5.7 It is estimated that SLS-B would generate approximately £1,300,000.00 over the 5 year term of the scheme.

6. Public Consultation

6.1 Public consultation commenced on the 25th November 2024 and will remain open until the 3rd February 2025.

6.2 At the time of preparing this report 66 responses had been received from a variety of stakeholders.

6.3 A consultation outcome report outlining the methods and level of engagement achieved by the consultation, noted as appendix 1 will be available once the consultations has closed. In addition Appendix 2 will provide a detailed breakdown of the consultation response and again will be available once the consultation has closed

6.4 The responses received to date have been reviewed to during the consultation process to ensure comments are reflected within the scheme design.

- 6.5 Three hybrid public consultation events were hosted at Brocks Hill and broadcast online through Microsoft Teams, these events were held on the 19th December 2024, 10th January 2025 and 15th January 2025 and details of Question and Answer sessions are outlined in appendix 3. With 16 attendees attending in person across the events and 6 attendees online.
- 6.6 The Council undertook a programme of hand delivered consultation request cards which were delivered to 6,650 households within Wigston and South Wigston. An example of the card delivered can be found at appendix 4.

7. Legal Implications

- 7.1 If a Selective Licensing Scheme is adopted by the Council, it will have the effect of mandatorily requiring all private rented properties within the designated area to be licenced with Oadby and Wigston Borough Council. The following points would come into effect on approval by Full Council.
- 7.2 The Selective Licensing Scheme would be in operation for 5 years (i.e. 2025 - 2030).
- 7.3 Licenses will be issued for a maximum of 5-years, a landlord issued an interim 1-year licence in accordance with the Policy will be able to renew their licence to an end of scheme licence.
- 7.4 The Selective Licensing Scheme will need to be publicised for 3-months before coming into effect.
- 7.5 The Council will accept applications during the publicised notification period, with the official Selective Licence being effective from the Commencement date of the Scheme. It is proposed that grace period operates for 6-months from the Commencement date of the Scheme to enable the submission of applications for a Selective Licence to be made, prior to enforcement action being taken.

An indicative timetable is provided below.

- February 2025 – May 2025 – Notification Period for approved scheme.
 - May 2025 – November 2025 – Grace period for applications, prior to enforcement.
 - November 2025 – May 2030 – Late application fee applies, inspections commenced and enforcement procedures enacted.
- 7.6 The Council will have to formally notify all persons that have been advised of the Consultation on the Selective Licensing Scheme and the outcomes; including residents, landlords, letting Agents, Estate Agents and all other notified persons and organisations.
- 7.7 The Council will notify and provide details of any approved designation to the local search provider for the Borough to ensure potential purchasers are notified of any scheme during the conveyancing process.
- 7.8 The enforcement of the Selective Licence Scheme will cover the administration and inspection of the Scheme. Any issues encountered e.g. breach of licensing conditions will be dealt with under the Housing Act 2004 by issuing of Fixed Penalty Notices, enforcement under the Councils Civil Penalties Policy or Prosecution.

8. Financial Implications

8.1 The Selective Licensing Scheme will be cost neutral. It is proposed that as the money will come in at the beginning of the Scheme; the monies will be held in the Councils account as an earmarked reserve and drawn down over the life of the Scheme to support the Scheme.

8.2 It is proposed the fee for a licence is for 5-years and will be in two parts due to the ruling of Hemming v Westminster

Part 1 – The Application Fee (Funding the administration and processing of the application)

Part 2 – Subsistence Fee (Funding the administration, management and enforcement of the wider scheme)

The Part 2 payment will be required on a successful application for a Selective Licence under the Scheme and prior to an inspection being undertaken of the property and a full licence being issued.

8.3 The proposed fee structure is outlined in the table below and will be fixed for the duration of the scheme. This is based on benchmarking against other Authorities and a review of our current fee structure.

Fee Type	Application Fee	Subsistence Fee	Total
Standard Fee	£450.00	£400.00	£850.00
Accredited Fee	£350.00	£400.00	£750.00
Previous Applicant Discount (See paragraph 8.5)	£350.00	£300.00	£650.00
Multi Property Discount (applies after one standard application is completed)	£400.00	£400.00	£800.00
Accredited and Multi Fee	£300.00	£400.00	£700.00
Identified/Late Fee	£750.00	£400.00	£1150.00
1 Year Licence (Following Inspection)	As per appropriate fee above	£800.00	Appropriate Application Fee+ £800.00
Variation to Application	£30.00	N/A	£30.00
Temporary Exemption	£0.00	£0.00	£0.00
Refunds	See Paragraph 8.6		

8.4 Discounts can be combined in cases where applicants qualify for multiple discounts.

8.5 Following consultation and Q and A sessions at consultation events, there was repeated calls for a discount for current licence holders to recognise their

engagement and compliance with the existing licensing scheme. It is therefore proposed that applicants that can evidence engagement with the previous licensing scheme would garner a £200.00 discount with £100.00 being discounted from the application fee and £100.00 being discounted from subsistence fee.

- 8.6 Refunds will be provided on a discretionary basis with the approval of the Selective Licensing Team Leader or subsequent post. Any refunds will be assessed on an application by application basis and determined on the amount of work undertaken on the application at the point of the refund request being received.
- 8.7 Effective staffing is essential to ensure effective scheme delivery and the level of staffing will be dictated by the size of any scheme designated the indicative staffing levels for both recommendations are outlined below
- 8.8 Potential staffing structures are outlined within paragraphs 4 and 5 and are scheme specific, hence the inclusion of recommendation C to approve a full review of the existing staffing structure prior to the commencement of any approved designation.
- 8.9 Officers required for effective delivery are proposed in the following generic capacities to provide an indicative understanding of resource required and will be subject to a full business case being submitted to and approved by SLT,.
- Senior Environmental Health Officer (Title to be confirmed) – With direct responsibility for the strategic, budgetary and operational aspects of the scheme, currently this role is undertaken by the Selective Licensing Team Leader.
 - Selective Licensing Officer – This role acts as a first point of contact for the current scheme and also undertakes proactive and reactive inspections of properties
 - Community Warden – This would be a new role created to support the wider operational aspects of the scheme with the purpose of being a visible presence and proactively address issues such as littering, dog fouling and anti-social behaviour to provide re-assurance to residents.
 - Selective Licensing Apprentice – This would be a newly created role and would be a graded post, which would be upgraded to a Selective Licensing Officer upon completion of the Housing Specific Regulatory Compliance Apprenticeship. This post will provide essential capacity and resilience with the proposed procedural changes outlined in the renters rights' bill and delivery of the scheme.

9. Selective Licensing Enforcement Policy

- 9.1 The Council has developed a Draft Selective Licensing and Enforcement Policy, noted as appendix 5 which sets out the Selective Licensing the Councils procedures and enforcement strategy will be used to support officers to ensure that a fair and equitable approach regarding enforcement is followed, subject to approval of recommendation E.

10. Aims and Reporting Progress

- 10.1 **Improve the standard of private rented properties within the designated area** – This would be monitored by reporting on quarterly housing standards complaints received in the impacted wards, allowing for monitoring to be undertaken

across the designation period to provide a comprehensive data set in relation to housing standards

10.2 **Increase how safe residents feel in their area** - This would be monitored using the annual survey undertaken by the Oadby and Wigston Borough Council, Community Safety Partnership and monitored across the period of any designation.

10.3 **Reduce homelessness within the designated area** – This would be monitored in conjunction with the Housing Options department to monitor the number of tenants subject to notices to quit within the designated area within the aim of providing support guidance and referrals in the event of rent arrears or other issues to try and salvage at risk tenancies.

11. Conclusion

11.1 Approval of a further scheme would provide essential resources for the Council to undertake proactive advisory work, along with informal and formal enforcement interventions to improve the area designated within the scheme area.