



# AGENDA

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## LICENSING SUPPLEMENTARY COMMITTEE

**Date: THURSDAY, 20 JUNE 2019 at 7.15 pm**

**Committee Room 3  
Civic Suite  
Catford Road  
London SE6 4RU**

**Enquiries to: Clare Weaser  
Telephone: 0208 314 7369 (direct line)  
Email: clare.weaser@lewisham.gov.uk**

### **MEMBERS**

#### **Councillors:**

Councillor Eva Stamirowski (Chair)  
Councillor Colin Elliott (Vice Chair)  
Councillor Tauseef Anwar  
Councillor Juliet Campbell  
Councillor Alan Hall  
Councillor Carl Handley  
Councillor Sue Hordijkeno  
Councillor Coral Howard  
Councillor Susan Wise

This meeting is an open meeting and all items on the agenda may be audio recorded and/or filmed.

**Members are summoned to attend this meeting**

**Janet Senior  
Acting Chief Executive  
Laurence House  
Catford  
London SE6 4RU  
Date: 12 June 2019**



INVESTOR IN PEOPLE

The public are welcome to attend our committee meetings, however occasionally committees may have to consider some business in private. Copies of reports can be made available in additional formats on request.

## ORDER OF BUSINESS – PART 1 AGENDA

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3.	Borough-wide Selective Licensing Schemes	6 - 39



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# Agenda Item 1

LICENSING SUPPLEMENTARY COMMITTEE		
<b>Report Title</b>	<b>Minutes</b>	
<b>Key Decision</b>		<b>Item No. 1</b>
<b>Ward</b>		
<b>Contributors</b>	<b>Chief Executive</b>	
<b>Class</b>	<b>Part 1</b>	<b>Date: 20 June 2019</b>

## Recommendation

That the Minutes of the meeting of the Licensing Supplementary Committee, which was open to the press and public, held on 6 June 2019 (copies circulated separately) be confirmed and signed.

# Agenda Item 2

LICENSING SUPPLEMENTARY COMMITTEE		
Report Title	DECLARATIONS OF INTEREST	
Key Decision		Item No. 2
Ward		
Contributors	Chief Executive	
Class	Part 1	Date: 20 June 2019

Members are asked to declare any personal interest they have in any item on the agenda.

## 1 Personal interests

There are three types of personal interest referred to in the Council's Member Code of Conduct :-

- (1) Disclosable pecuniary interests
- (2) Other registerable interests
- (3) Non-registerable interests

## 2 Disclosable pecuniary interests are defined by regulation as:-

- (a) Employment, trade, profession or vocation of a relevant person\* for profit or gain
- (b) Sponsorship –payment or provision of any other financial benefit (other than by the Council) within the 12 months prior to giving notice for inclusion in the register in respect of expenses incurred by you in carrying out duties as a member or towards your election expenses (including payment or financial benefit from a Trade Union).
- (c) Undischarged contracts between a relevant person\* (or a firm in which they are a partner or a body corporate in which they are a director, or in the securities of which they have a beneficial interest) and the Council for goods, services or works.
- (d) Beneficial interests in land in the borough.
- (e) Licence to occupy land in the borough for one month or more.
- (f) Corporate tenancies – any tenancy, where to the member's knowledge, the Council is landlord and the tenant is a firm in which the relevant person\* is a

partner, a body corporate in which they are a director, or in the securities of which they have a beneficial interest.

- (g) Beneficial interest in securities of a body where:-
- (a) that body to the member's knowledge has a place of business or land in the borough; and
  - (b) either
    - (i) the total nominal value of the securities exceeds £25,000 or 1/100 of the total issued share capital of that body; or
    - (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person\* has a beneficial interest exceeds 1/100 of the total issued share capital of that class.

\*A relevant person is the member, their spouse or civil partner, or a person with whom they live as spouse or civil partner.

### **(3) Other registerable interests**

The Lewisham Member Code of Conduct requires members also to register the following interests:-

- (a) Membership or position of control or management in a body to which you were appointed or nominated by the Council
- (b) Any body exercising functions of a public nature or directed to charitable purposes, or whose principal purposes include the influence of public opinion or policy, including any political party
- (c) Any person from whom you have received a gift or hospitality with an estimated value of at least £25

### **(4) Non registerable interests**

Occasions may arise when a matter under consideration would or would be likely to affect the wellbeing of a member, their family, friend or close associate more than it would affect the wellbeing of those in the local area generally, but which is not required to be registered in the Register of Members' Interests (for example a matter concerning the closure of a school at which a Member's child attends).

### **(5) Declaration and Impact of interest on member's participation**

- (a) Where a member has any registerable interest in a matter and they are present at a meeting at which that matter is to be discussed, they must declare the nature of the interest at the earliest opportunity and in any

event before the matter is considered. The declaration will be recorded in the minutes of the meeting. If the matter is a disclosable pecuniary interest the member must take no part in consideration of the matter and withdraw from the room before it is considered. They must not seek improperly to influence the decision in any way. **Failure to declare such an interest which has not already been entered in the Register of Members' Interests, or participation where such an interest exists, is liable to prosecution and on conviction carries a fine of up to £5000**

- (b) Where a member has a registerable interest which falls short of a disclosable pecuniary interest they must still declare the nature of the interest to the meeting at the earliest opportunity and in any event before the matter is considered, but they may stay in the room, participate in consideration of the matter and vote on it unless paragraph (c) below applies.
- (c) Where a member has a registerable interest which falls short of a disclosable pecuniary interest, the member must consider whether a reasonable member of the public in possession of the facts would think that their interest is so significant that it would be likely to impair the member's judgement of the public interest. If so, the member must withdraw and take no part in consideration of the matter nor seek to influence the outcome improperly.
- (d) If a non-registerable interest arises which affects the wellbeing of a member, their, family, friend or close associate more than it would affect those in the local area generally, then the provisions relating to the declarations of interest and withdrawal apply as if it were a registerable interest.
- (e) Decisions relating to declarations of interests are for the member's personal judgement, though in cases of doubt they may wish to seek the advice of the Monitoring Officer.

## **(6) Sensitive information**

There are special provisions relating to sensitive interests. These are interests the disclosure of which would be likely to expose the member to risk of violence or intimidation where the Monitoring Officer has agreed that such interest need not be registered. Members with such an interest are referred to the Code and advised to seek advice from the Monitoring Officer in advance.

## **(7) Exempt categories**

There are exemptions to these provisions allowing members to participate in decisions notwithstanding interests that would otherwise prevent them doing so. These include:-

- (a) Housing – holding a tenancy or lease with the Council unless the matter relates to your particular tenancy or lease; (subject to arrears exception)
- (b) School meals, school transport and travelling expenses; if you are a parent or guardian of a child in full time education, or a school governor unless the matter relates particularly to the school your child attends or of which you are a governor;
- (c) Statutory sick pay; if you are in receipt
- (d) Allowances, payment or indemnity for members
- (e) Ceremonial honours for members
- (f) Setting Council Tax or precept (subject to arrears exception)

# Agenda Item 3

LICENSING SUPPLEMENTARY COMMITTEE		
Report Title	Borough-wide Selective Licensing Schemes	
Key Decision		Item No. 3
Ward	All	
Contributors	Executive Director of Customer Services	
Class	Part 1	Date: 20 June 2019

## 1. Purpose of report

1.1. This report provides a presentation which summarises the work undertaken to develop an application for a borough-wide selective licensing scheme to submit to the Secretary of State at the end of this calendar year and a new additional borough-wide licensing scheme which does not require Secretary of State approval. Together these schemes intend to cover all private rented properties in the borough. Following approval from Mayor and Cabinet on 24 April 2019 to consult on the two proposed new licensing schemes, the purpose of this report is to inform the Committee of the proposed fee structure for the new licensing schemes in advance of requesting approval of the fee structure in the autumn following the consultation.

## 2. Recommendations

2.1. The Committee is asked to:

2.1.1. Note the report and presentation.

2.1.2. Note that the consultation responses will be presented to Housing Select Committee and to Mayor and Cabinet in the autumn as part of any proposals to progress with the two licensing schemes.

2.1.3. Note that the proposed fee structure for the new licensing schemes will be presented to the Committee for approval following the presentations to the Housing Select Committee and Mayor and Cabinet in the autumn.

## Background papers

Mayor and Cabinet Licensing Consultation Report at the meeting of the Mayor and Cabinet on 24 April 2019

For further information please contact Nick Stabeler, Manager, Private Sector Housing Agency on 02083142044.

# Selective Licensing Scheme

Private Sector Housing Agency

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Madeleine Jeffery – Director of Housing

Nick Stabeler – Private Sector Housing Agency Manager

Clare Davis – Project Manager

Karen Kemsley – Data Scientist

Ella McCarthy – Housing Policy and Data Analyst

George Hallam – Projects & Data Coordinator

- **The presentation will summarise:**

- the results of data analysis work showing the relationships between the private rented sector (PRS) and deprivation, anti-social behaviour (ASB), crime migration and poor housing conditions;
- the designations and basis for our SoS application;
- the broad timetable;
- the outline “operationalisation” proposals;

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**A more detailed report will be presented to Committee in the autumn.**

## Key principles under-pinning the borough-wide licencing scheme:

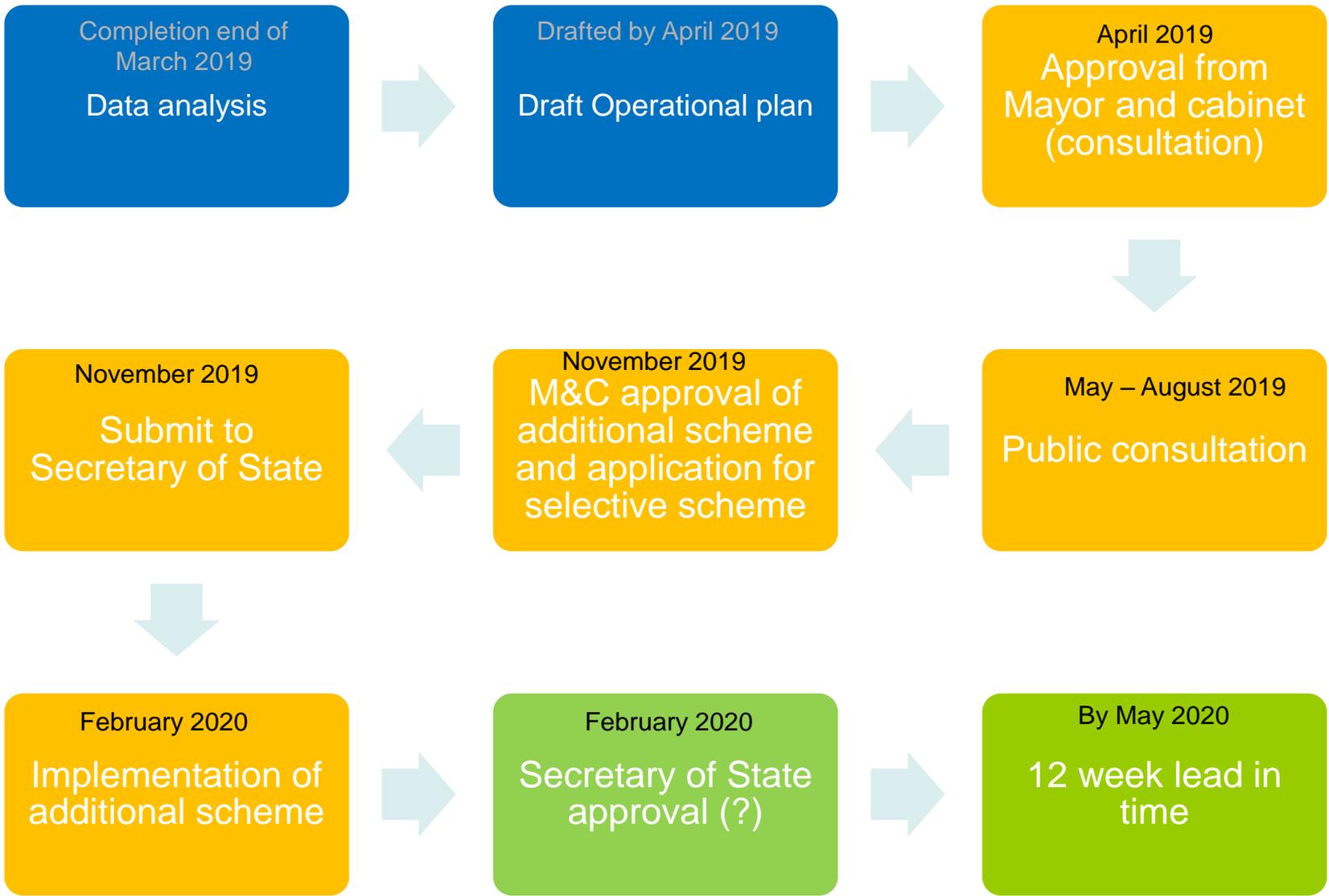
- inspect 100% of all licenced properties over the term of the scheme;
- improve property standards, security and decency generally through robust licensing conditions and follow up;
- help tenants feel safe and secure in their homes through advice, support and effective enforcement;
- deliver a “level playing field” by demanding the same standards of accommodation and management across all landlords
- deal with rogue landlords swiftly and assertively

## Selective Licensing of Houses requires evidence of:

- High Anti-Social Behaviour
- High migration
- Poor housing conditions
- High levels of deprivation
- High level of crime

## The application must:

- show how licensing will impact on problems within the private rented sector (PRS)
- form part of the council's housing strategies, including homelessness, regeneration, ASB and empty homes
- set out the role that the Police and Social Services will play
- consider alternative courses of action that might provide an effective remedy



# Programme milestones

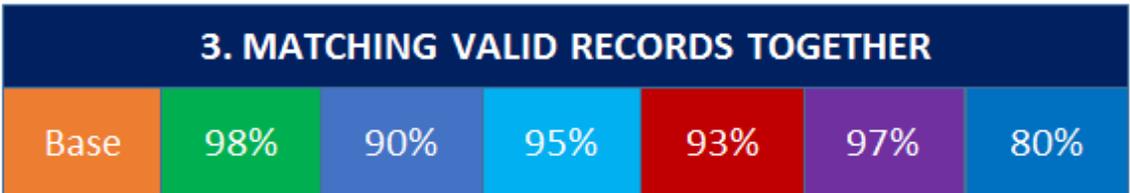
# Review of other boroughs with large licensing schemes & consultation with MHCLG has informed analysis process:

## 1. Establish up-to-date numbers of PRS properties

- bringing together 35+ datasets
- applying predictive analytics techniques
- validating results through street surveys

## 2. Investigate relationship of PRS with issues specified in the guidance

- Deprivation, ASB, Crime, Migration and Property Conditions



**4. MATRIX of 50+ variables used to create a RISK PROFILE of each residential property and establish likely TENURE**

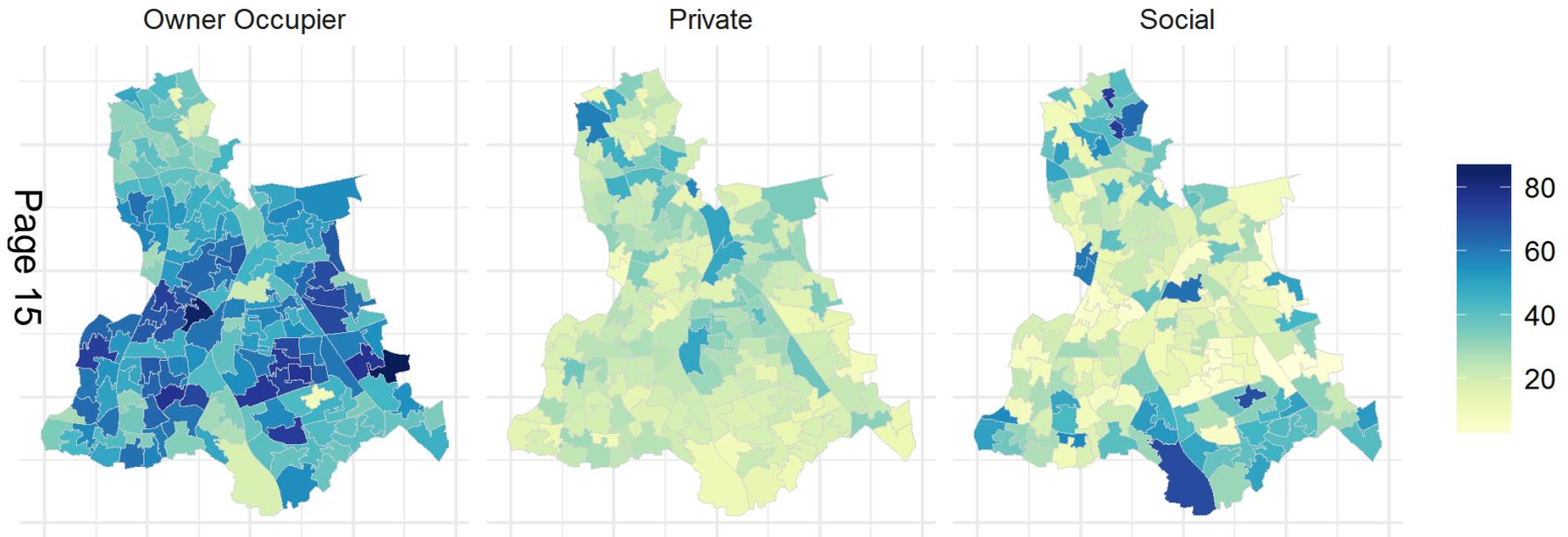
**=> % PRS properties**

Continuous Improvement: Reiterating through each stage to optimise results

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Owner Occupier	Private Rented	Social Rented
63k	<b>32k</b>	34k
49%	<b>26%</b>	26%

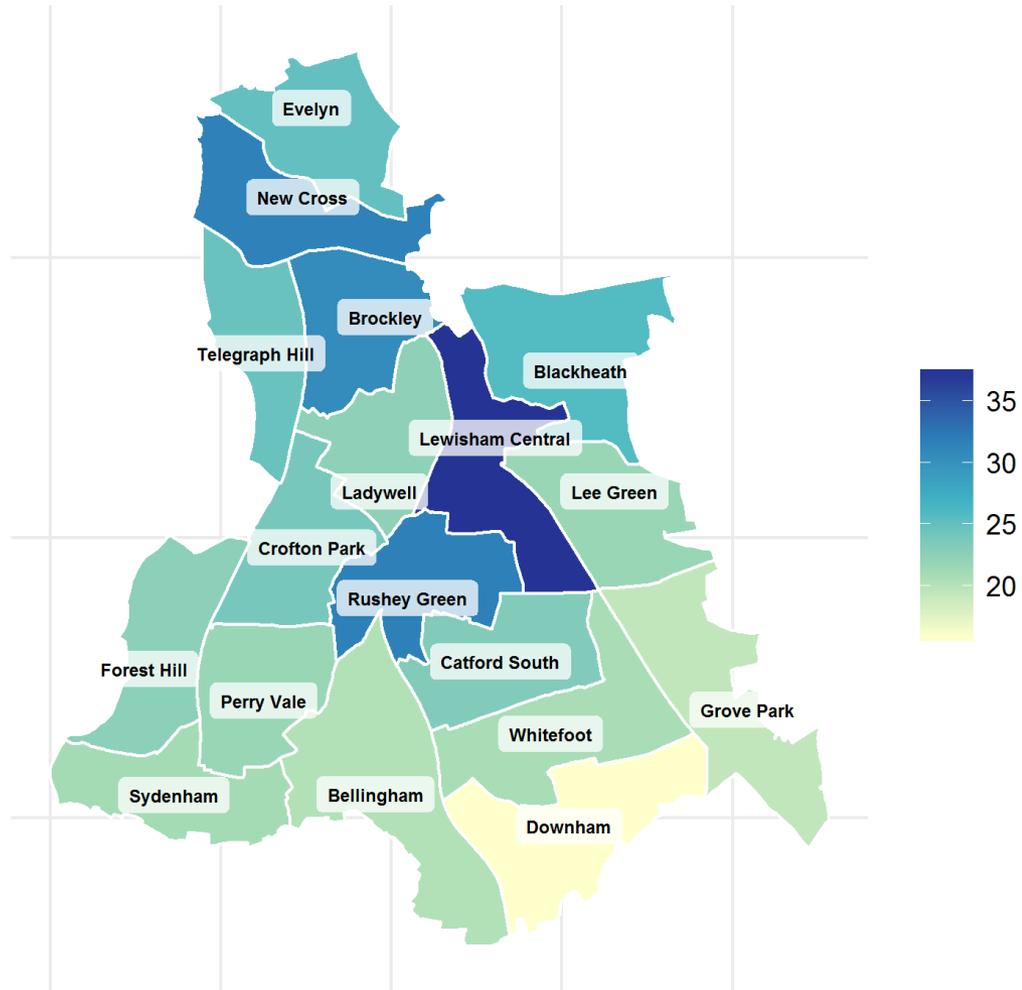
## Tenure of Properties per LSOA (%)



Source: Housing Insight

Establishing the size of the PRS

# Private Rented Properties per Ward (%)



Source: Housing Insight

A designation can be made if :

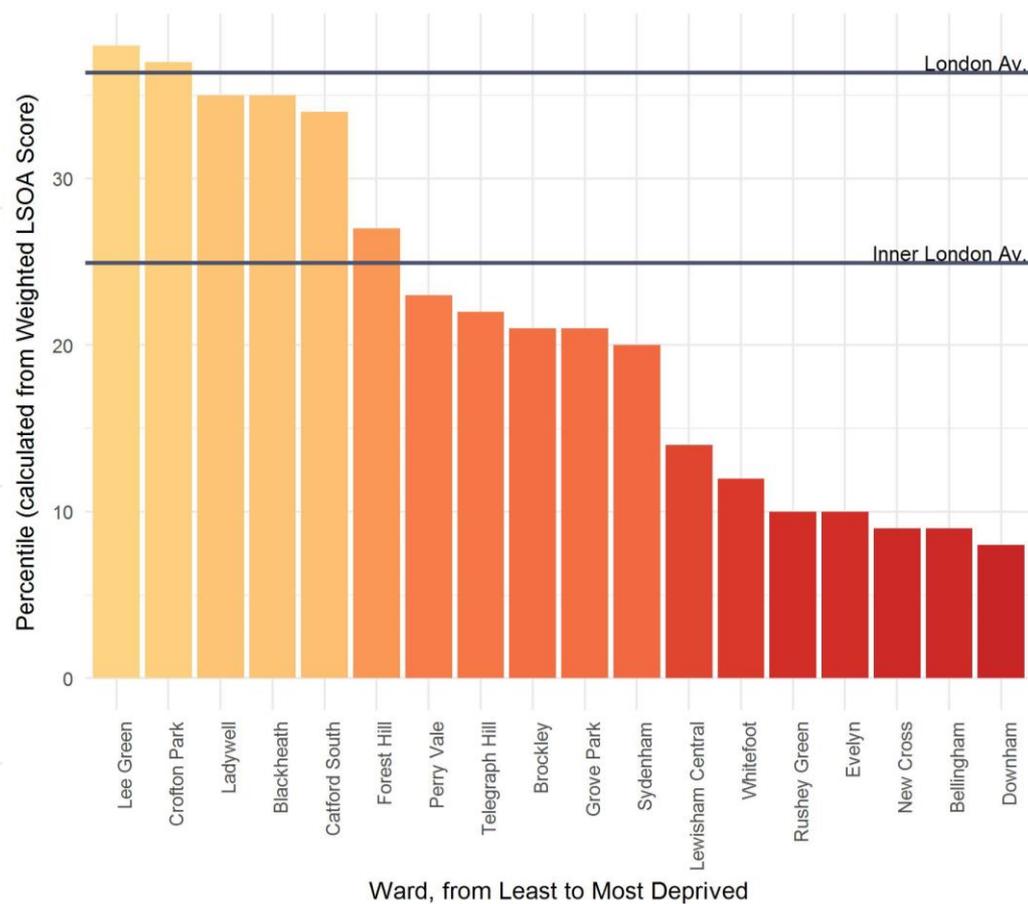
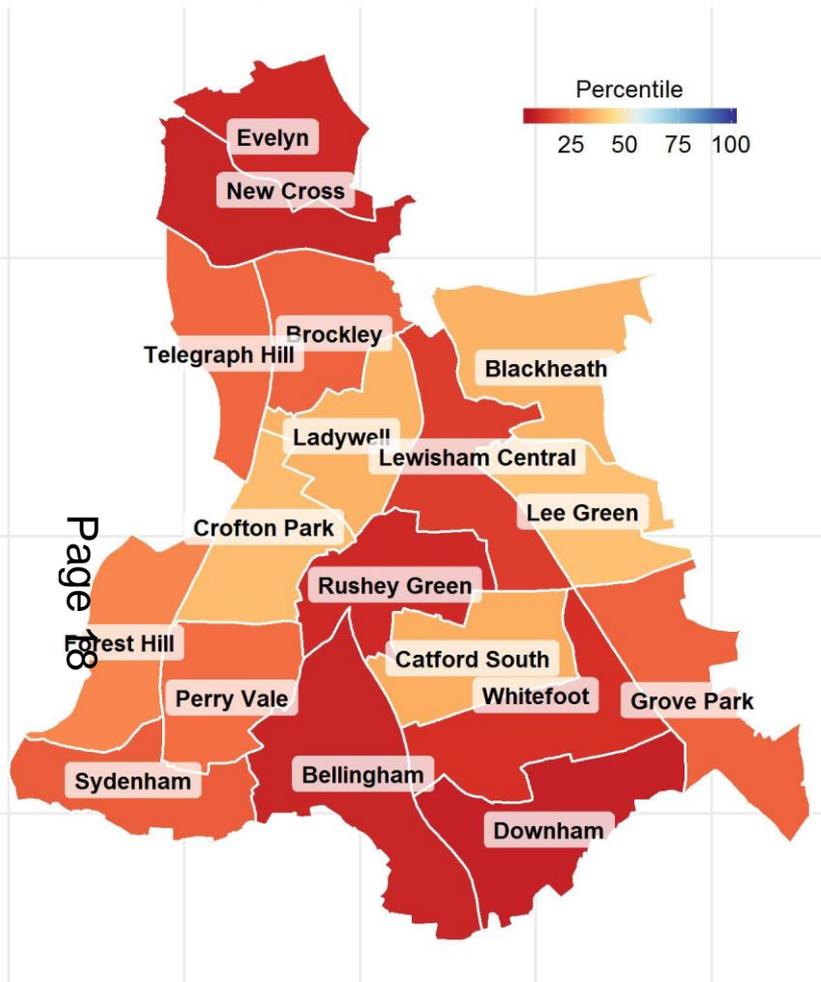
- High levels of deprivation compared to region
- High proportion of housing is in the private rented sector

Deprivation factors to consider:

- the **employment** status of adults,
- the **average income** of households,
- the **health** of households,
- the availability and ease of access to **education**, training and other services for households,
- **housing** conditions,
- the physical **environment** and
- levels of **crime**.

# Indices of Deprivation for Lewisham

## Overall Index of Multiple Deprivation



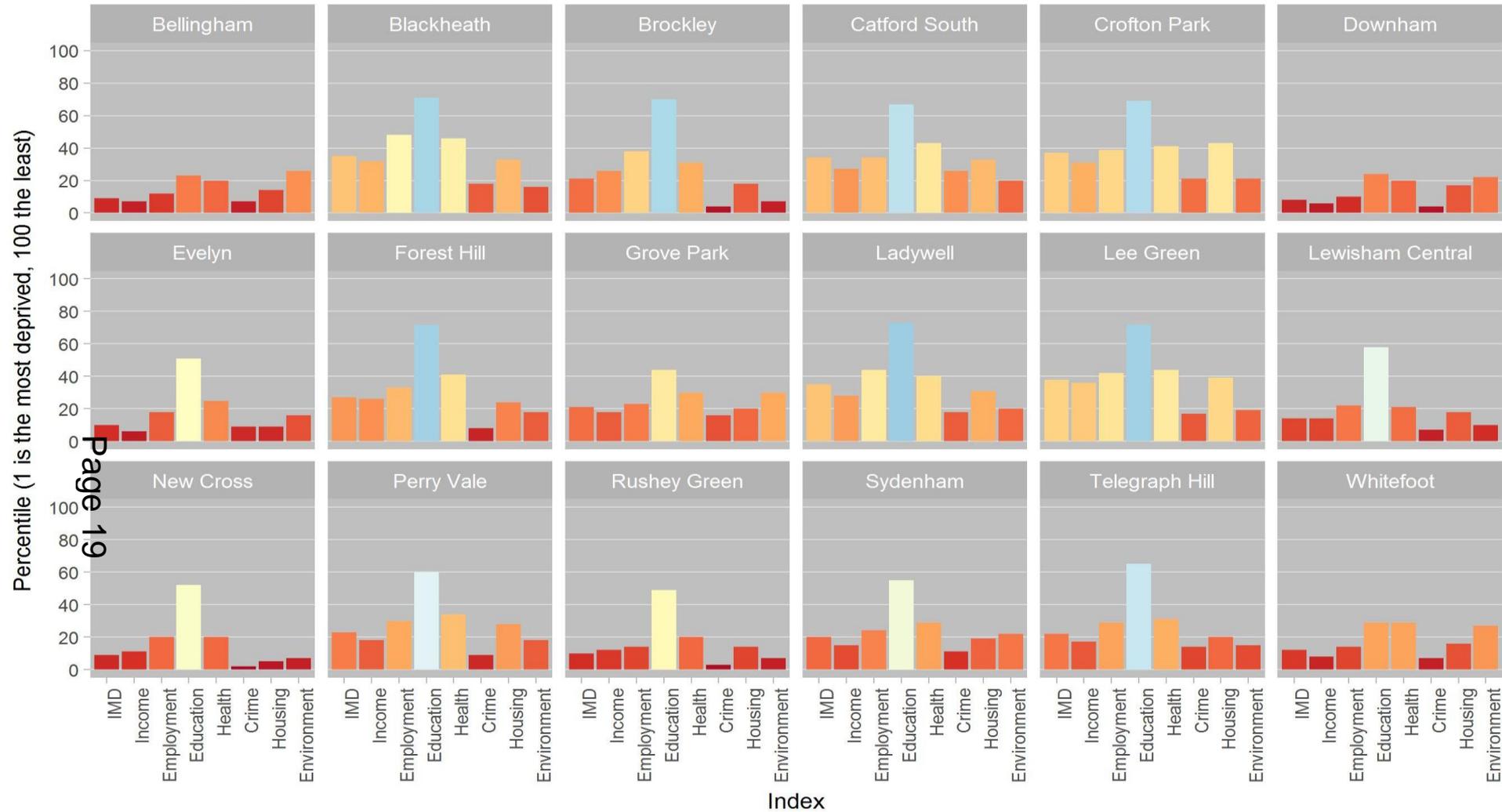
Source: UK Government English Indices of Deprivation 2015

# Indices of Multiple Deprivation



# Indices of Deprivation by Ward

Ward data aggregated from weighted LSOA Score



Source: UK Government English Indices of Deprivation 2015

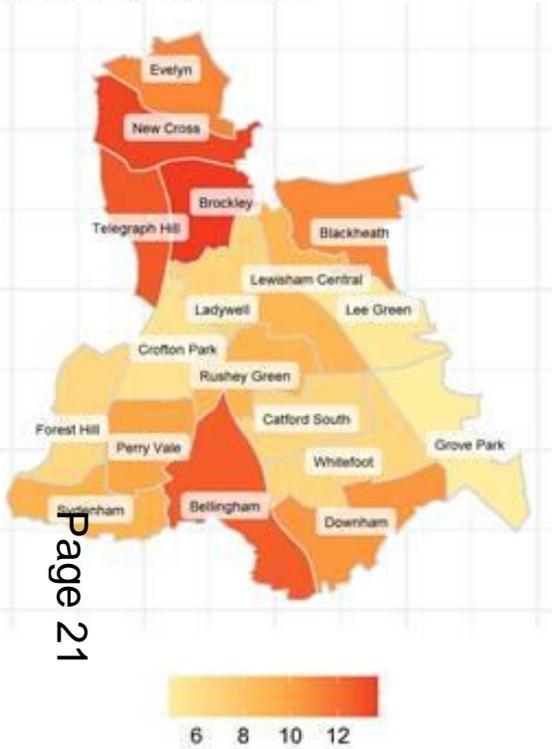
# Indices of Multiple Deprivation – breakdown by Index and Ward



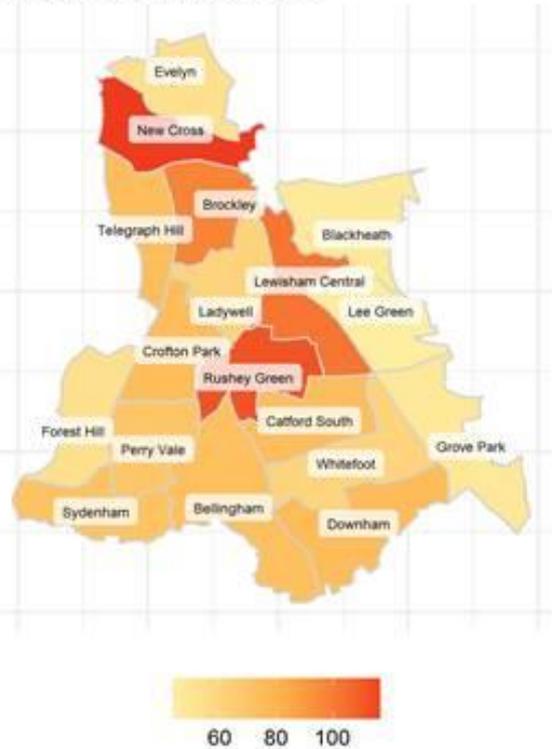
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- A designation can be made if significant and persistent anti-social behaviour (ASB) occurring within the immediate vicinity of a property
- Includes intimidation or harassment, noise, rowdy and nuisance behaviour, animal and vehicle related nuisance, anti-social drinking, drug taking or dealing, graffiti and fly posting, and litter and waste

Complaints ASB (includes Noise & Nuisance)  
Rates per 1000 population in 2018



Environment Services (includes Graffiti & Fly-tipping)  
Rates per 1000 population in 2018



Police ASB (includes Public Order & Drugs)  
Rates per 1000 population in 2018



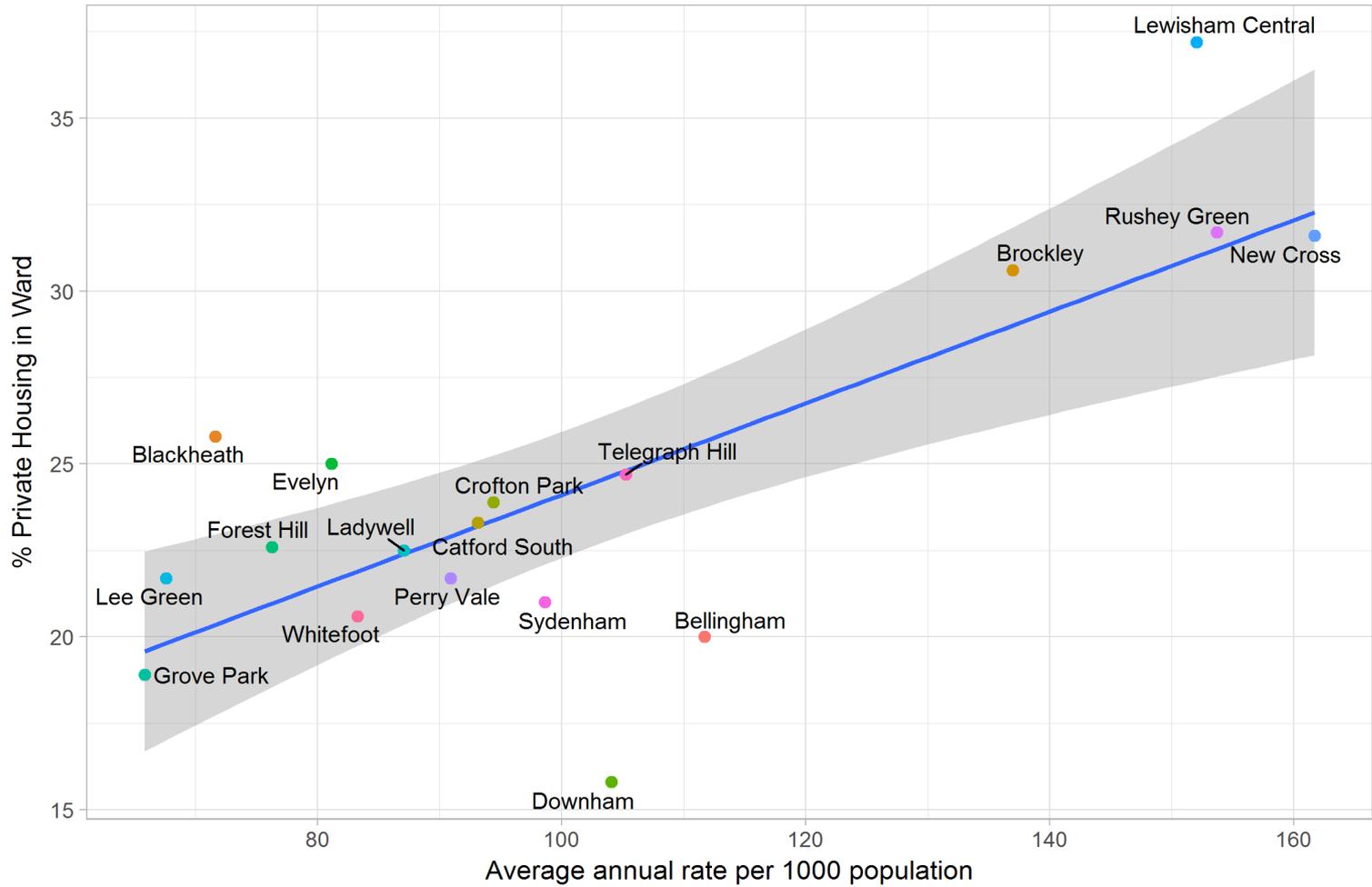
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# Anti-social behaviour patterns

# Relationship Between Private Rented Housing & Relevant Anti-Social Behaviour

Incidents reported in 2018.  $Rsq = 0.56$

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Source: Council complaints, Environment Services records and data.police.uk

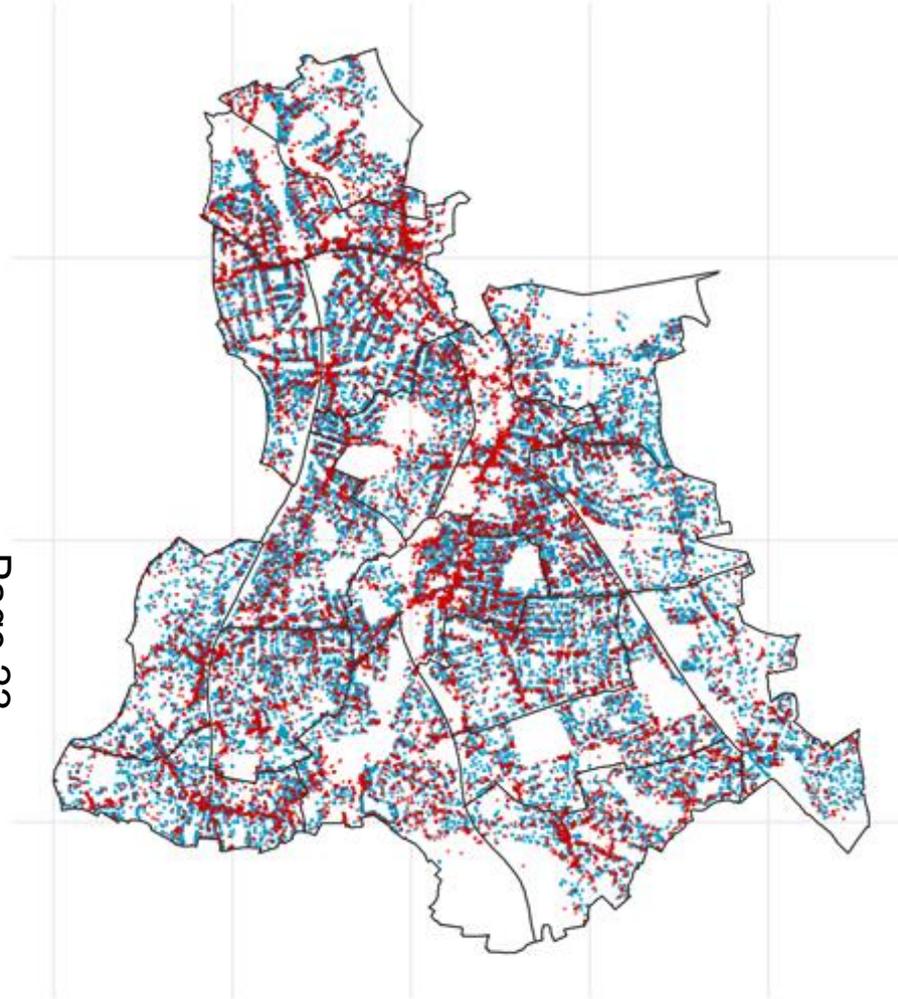
## Anti-social behaviour and PRS



## Location of ASB incidents and Private Rented Properties

ASB incidents shown in red; properties in blue; shades represent density

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Source: Environment Services

15% of PR properties have an ASB incident recorded within 10 m

28% of PR properties have an ASB incident recorded within 25 m

Both %s higher than other tenures

Multiple incidents also more likely to affect PR properties

# Anti-social behaviour and PRS

- Crime can be considered as a designation reason if there has been:
  - a recent increase in the levels of crime,
  - whether the crime rate is higher than other areas or
  - if the crime rate is higher than the national average.

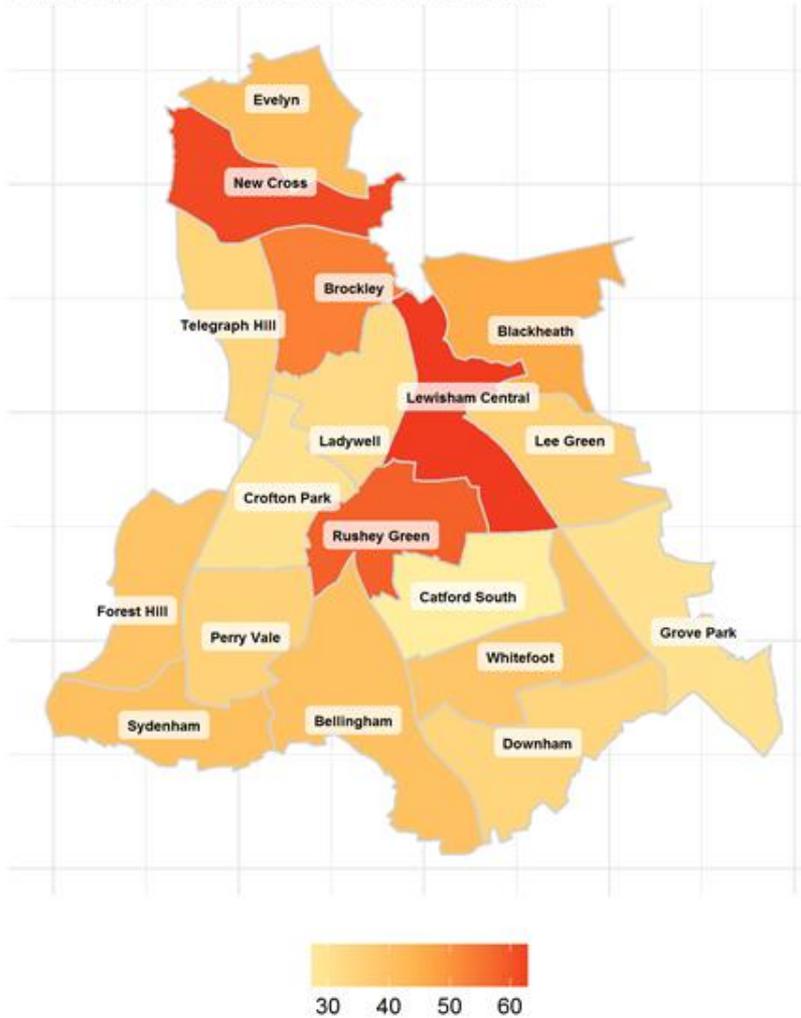
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Can only be used if a high proportion of housing in areas with high levels of crime is in the private rented sector

- Consider the nature of the criminal activity (e.g. theft, burglary, arson, criminal damage, graffiti)

## Police Reported Crime

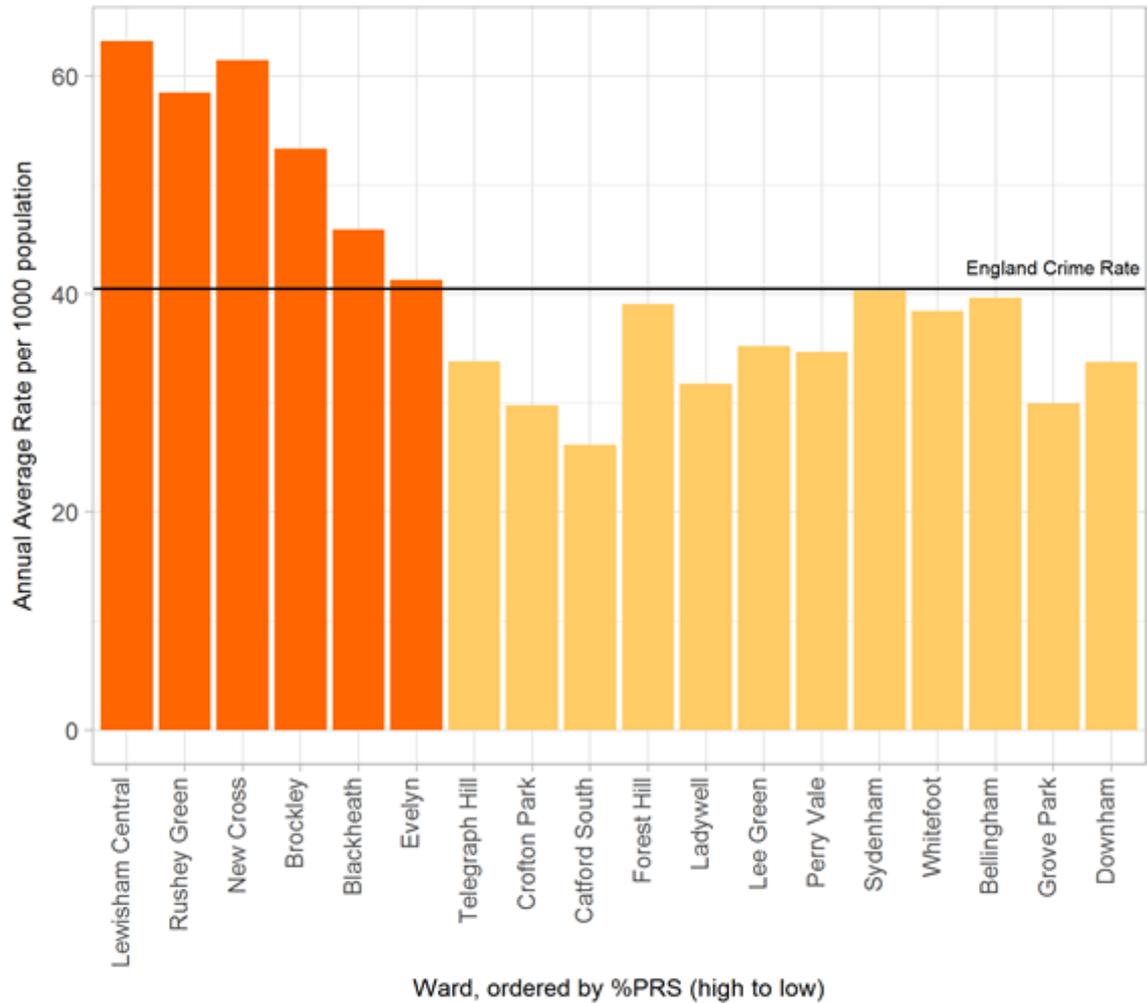
Annual crime rate calculated from 2016 to 2018 data



Source: data.police.uk

### Average annual crime rates compared with national crime rates

National crime rate from year ending September 2018



Source: data.police.uk & ONS

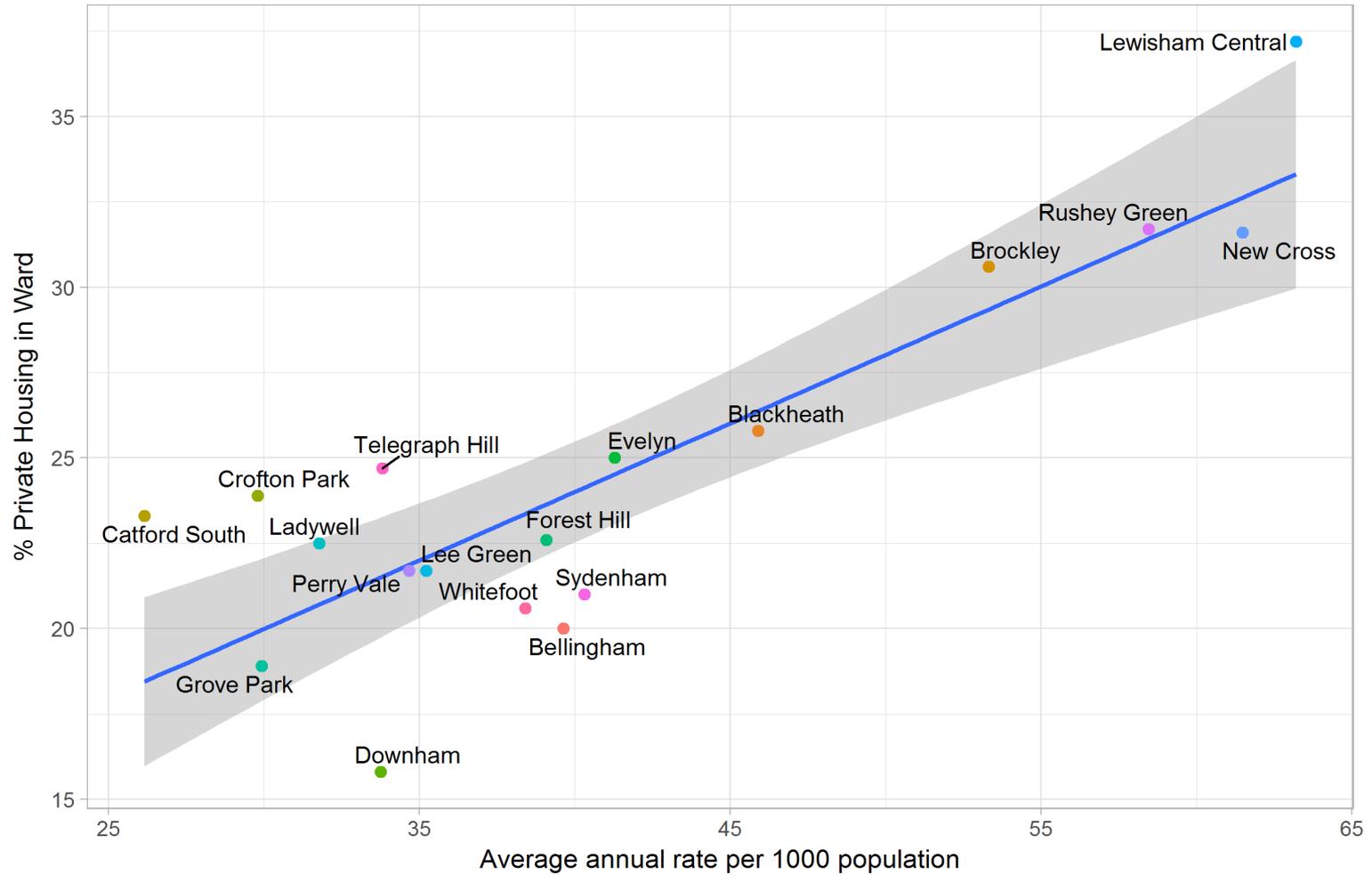
# Crime Comparison with National Rate



# Relationship Between Private Rented Housing and Relevant Crimes

Crimes reported in 2016 to 2018.  $Rsq = 0.71$

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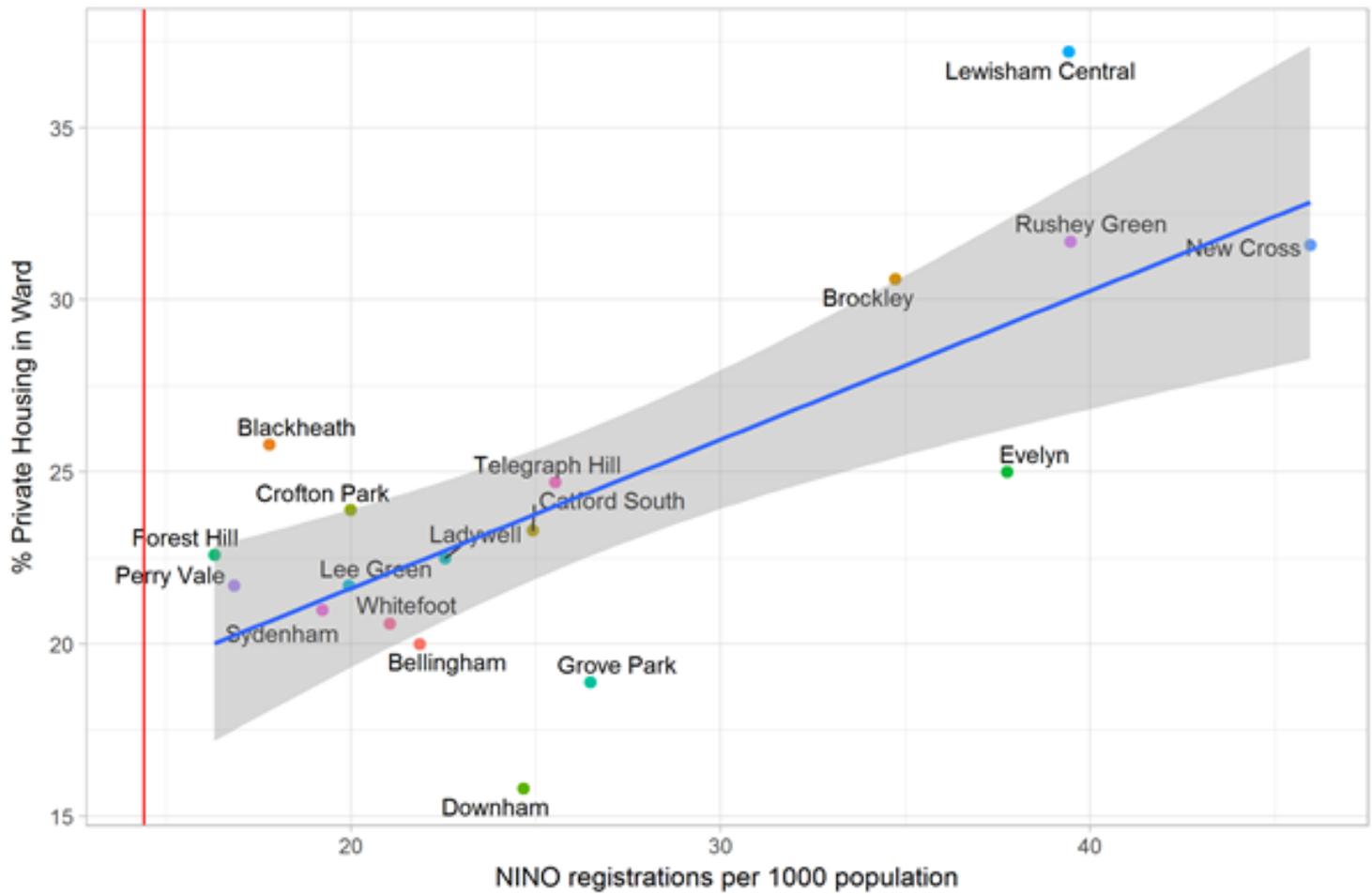
Source: data.police.uk

- Considered a designation reason if an area has experienced a relatively large increase in the size of the population over a relatively short period of time
- Net migration not significantly high however the movement of people in and out of the borough (churn) is high:
  - 19.7% the population
  - 27<sup>th</sup> highest of the 326 Local Authorities in England
- Research suggests those moving into the borough are more likely to be in the PRS. This is supported by analysis of overseas NINo registrations

# Relationship between Private Rented housing and overseas national NINO registration rate

Data from FY2017/18. R-squared = 0.54 . Red line = England and Wales average rate.

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Source: DWP Stat-Explore



- Can be used as a designation reason if:
  - a high proportion are in the private rented sector and
  - a significant proportion are believed to be in poor condition
  
- Most recent stock condition survey (2010) showed:
  - 37.8% private rented homes were categorised as ‘non-decent’.
  - 18.4% of PRS properties demonstrated a category 1 hazard and 38% demonstrated a category 2 hazard
  - These hazards include issues such as excess cold, risks of falls, fire risks, hygiene risks, mould / damp, electrical hazards and risk of structural collapse
  - Rates of disrepair in Lewisham were found to be above the national average (7.3%), and the rates for the private rented sector were higher still, at 11.4%

- Other supporting evidence supplied by indicators within the Deprivation data
- Poor property conditions:
  - Two thirds of wards are within the worst half of the country
- Housing without Central Heating:
  - All wards are within the worst half of the country for Central Heating, including four wards in the worst 20% of the country (Brockley, Lewisham Central, New Cross and Rushey Green)

Ward	PRS %	ASB	Crime	High Deprivation	Property Conditions	Migration	Designation
Brockley	Y	Y	Y	Y	Y	Y	1
Lewisham Central	Y	Y	Y	Y	Y	Y	1
New Cross	Y	Y	Y	Y	Y	Y	1
Rushey Green	Y	Y	Y	Y	Y	Y	1
Blackheath	Y		Y	Y	Y	Y	2
Evelyn	Y		Y	Y	Y	Y	2
Bellingham	Y	Y		Y	Y	Y	3
Crofton Park	Y	Y		Y	Y	Y	3
Ladywell	Y	Y		Y	Y	Y	3
Perry Vale	Y	Y		Y	Y	Y	3
Sydenham	Y	Y		Y	Y	Y	3
Telegraph Hill	Y	Y		Y	Y	Y	3
Whitefoot	Y	Y		Y	Y	Y	3
Downham		Y		Y	Y	Y	3
Catford South	Y			Y	Y	Y	4
Forest Hill	Y			Y	Y	Y	4
Grove Park	Y			Y	Y	Y	4
Lee Green	Y			Y	Y	Y	4

# Summary and Designations

- Selective Scheme (26,000 properties)
- HMO Scheme (6,000 Properties)
  - To ensure full coverage of the borough for all HMOs
  - HMOs are the highest risk premises and require more robust inspection and enforcement
  - Administrative cost is greater and the fee must reflect this
  - A different set of conditions that reflect the nature of the premises
  - Helps stage the implementation of the wider scheme
  - Reduces illegal evictions because of occupancy levels

- The full team is expected to consist of a total of around 68 officers in year 1 reducing to largely business as usual between years 6 – 10.

Staff	Year 1	2-5	6-10
Service Group Manager	0.3	0.3	0.3
Service Manager	1	1	1
Team Managers/Team leaders	5	4	3
Admin Officers (Coordinators)	19.5	9	3
Inspectors	25	25	9
Lawyer	1	1	1
Project Manager	1	1	0
Project officers	4	4	0
ASB officer	1	1	0
Data Analyst	1	1	0
Apprentices	7	21	0
Empty Home Officer	1	1	1
Data intelligence and Project Coordinator	1	1	1

- The overall cost for a full borough licensing scheme over 10 years is estimated at £27M

## Management – Selective scheme

- Proposed fees

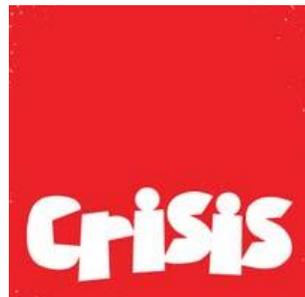
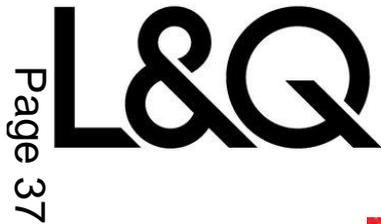
Band	Percentage of properties in Lewisham	Proposed Fee
A	6.10%	£575.00
B	27.43%	£600.00
C	35.25%	£625.00
D	21.48%	£650.00
E	6.13%	£675.00
F	2.34%	£700.00
G	1.11%	£725.00
H	0.15%	£750.00
HMO	Per Lettable Unit	£500

- Projected income over 10 years is £24.2 M
- The current core budget will provide a further £4.55m over 10 years

- The licence fee must be based on the cost to administer a licence
- Separate enforcement fee can be charged at issue of licence

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Council	Selective Fee	HMO Fee
Brent	£540	£840
Croydon	£750	£250 per room
Ealing	£500	£1100 + £30 per room
Hackney	£500	£950
Hammersmith and Fulham	£500	£1400 average
Havering	£550	Up to £1788
Newham	£1050	£1250
Redbridge	£500	Up to £1864
Southwark	£500	£262.65 per room
Tower Hamlets	£520	Up to £660



Support and input from partners



- MHCLG – Positive relationship established; they are keen to guide us to a successful outcome
- To maximise chance of success we will submit multiple designations:
  - One for borough-wide
  - One broken down to ward-level to allow partial success if borough-wide is declined
- Estimated 8-12 week turnaround but our developing relationship with the MHCLG advisors could shorten this
- 3 months statutory minimum before we can implement scheme

- Well established **project programme & board** meetings in operation;
- **Kevin Sheehan** - Jan/Feb/March briefed @ monthly progress meetings;
- **Cllr Paul Bell** – March briefing – supported report to HSC;
- **Housing Select Committee** – outline scheme presented March 2019 - positively received;
- **EMT** – 1<sup>st</sup> April 2019;
- **Cabinet Briefing** – 2<sup>nd</sup> April 2019;
- **M&C** – 24<sup>th</sup> April 2019 – approval received for consultation
- **Licensing Supplementary Committee** – 20<sup>th</sup> June 2019 initial scheme presentation;
- **HSC – autumn 2019** – results of the consultation
- **M&C – autumn 2019** - results of the consultation and seek approval to submit application.
- **Licensing Supplementary Committee** – autumn 2019

Executive and political sign off and governance: