

<b>REPORT TO:</b>	<b>Cabinet 30 June 2014</b>
<b>AGENDA ITEM:</b>	<b>7</b>
<b>SUBJECT:</b>	<b>Consultation on proposals to introduce a private sector housing Selective Licensing Scheme in Croydon</b>
<b>LEAD OFFICER:</b>	<b>Hannah Miller, Executive Director DASHH</b>
<b>CABINET MEMBER:</b>	<b>Councillor Alison Butler, Deputy Leader (Statutory) – Homes and Regeneration</b>
<b>WARDS:</b>	<b>All wards</b>

**CORPORATE PRIORITY/POLICY CONTEXT:**

The administration has made a strong policy commitment to clean up Croydon, including the campaign ‘**Don’t Mess With Croydon**’. Selective licensing is a key tool in achieving this commitment. The new Clean and Green strategy will also include developing the ‘Eyes and Ears’ project which will involve a unified approach to tackling environmental nuisance and other issues through an integrated street based service. This will enhance the identification of problem landlords and associated problems including anti-social behaviour (ASB) and environmental nuisance.

The Housing Act 2004<sup>1</sup> introduced provisions for the discretionary licensing of single family dwellings, known as “Selective Licensing”. Discretionary additional licensing of HMO’s which includes any dwelling with three or more unrelated tenants was adopted in Croydon in 2009 and will be extended to all wards and to relevant converted flats in the borough in 2014.

This report recommends that consultation is carried out on proposals to introduce Selective Licensing to all wards in the borough.

A Selective Licensing scheme supports the strategic objective to alleviate homelessness and pressure on housing set out in the Corporate Plan (Objective B1.1) by raising standards in the private sector. It also contributes towards outcome C2, A *Safe Place* by reducing anti-social behaviour.

The scheme further contributes towards *improving health and wellbeing through decent homes and neighbourhoods*, a strategic objective set out in the Housing Strategy approved on the recommendation of Cabinet (Min ref. A3212) by full council at its meeting on 30 April 2012 (item 16).

**FINANCIAL IMPACT**

The financial impact should be neutral as the cost of administering the scheme is

<sup>1</sup> Sections 79, 80 and 81 of the Housing Act 2004

covered by charging licensing fees to landlords.

**FORWARD PLAN KEY DECISION REFERENCE NO: This is not a key decision**

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

## **1. RECOMMENDATIONS**

Having considered the evidence relating to the extent and persistence of anti-social behaviour and environmental nuisance detailed in the report, and the requirements to consult on proposals to introduce selective licensing set out in the Housing Act 2004 as well as the requirements of the Council's Public Sector Equalities Duty in relation to the issues detailed in the body of the report, Cabinet is recommended:

- 1.1. To authorise the Executive Director DASHH to commence the statutory consultation on the proposal to introduce a Selective Licensing scheme in Croydon
- 1.2. To note that the Executive Director DASHH will provide a further report to Cabinet on the outcome of the consultation in late 2014 or early 2015.

## **2. EXECUTIVE SUMMARY**

- 2.1. The purpose of this report is to present evidence of crime, anti-social behaviour (ASB) and environmental nuisance linked to the private rented sector (PRS) in Croydon and set out the process for the introduction of a borough wide selective licensing scheme covering private rented properties in Croydon. It seeks a decision from Cabinet to carry out consultation with the tenants, landlords, residents and businesses that would be affected by the introduction of selective licensing. Introducing selective licensing alongside existing mandatory and discretionary licencing of houses in multiple occupation (HMOs) would mean all privately rented accommodation would be required to be licenced for a period of up to 5 years.
- 2.2. Selective licensing provides the Council with additional powers to require private landlords to meet certain standards concerning the condition and safety of their property, their responsibilities towards their tenants and to take action in relation to nuisance and ASB caused by their tenants. It is a powerful tool that allows the Council to drive up standards in private rented housing and improve outcomes for private tenants, residents and businesses of the borough including:
  - Safer and better quality housing conditions for tenants
  - Improved health outcomes for private tenants and their families
  - Better informed and responsible tenants

- More desirable housing areas and improved neighbourhoods
  - Lower turnover of occupiers producing more stable communities
  - Improved resident satisfaction
  - More effective and co-ordinated enforcement work in tackling nuisance and ASB
  - Better fraud detection
  - Improved housing benefit and council tax recovery
- 2.3. Selective licensing gives the Council better knowledge of the condition of private sector property including the ability to identify landlords that are failing to live up to their responsibilities and to quickly take robust enforcement action. It also allows the Council to conduct an on-going dialogue with landlords to further drive improvement and head off future problems through:
- Targeting information and advice concerning their responsibilities
  - Signposting landlords to existing resources dealing with landlord and tenant issues
  - Providing training in providing a good landlord practice, maintenance, safety and dealing with disputes, nuisance and ASB
  - Targeting information about other council services including adaptations, energy efficiency etc.
  - Targeting information about the council's offers to landlords willing to offer their properties as temporary accommodation for homeless households
- 2.4. Croydon is a borough with good connections to central London, Gatwick Airport and the South coast, cheaper rents than inner London and there is fierce competition for houses and flats to rent. Demand for private rented housing has been driven by population growth, the borough's limited social housing stock and the effect of the "credit crunch" on the housing market. It plays an important role as a flexible tenure for those that need and value it.
- 2.5. Private rented housing has increased significantly in the borough over the past 20 years and this has an impact on all residents across all tenures. The PRS in Croydon according to the census is home to more than 30,000 households. It is the second largest tenure and has nearly doubled in size over the last 20 years. It provides 21% of all housing in Croydon compared to 17% nationally and is the only accessible housing option for many households on modest incomes. All wards in the borough have seen an increase in the PRS over the past 10 years. Growth of the PRS has been largely through the activities of 'buy to let' investors, generally taking on only one or two properties, and these new landlords have replaced owner occupiers in many of the borough's neighbourhoods.
- 2.6. The rationale for consulting on the introduction of selective licensing is the growing concern with poorly managed private rented housing that is having a

negative effect on Croydon's neighbourhoods and communities. ASB, noise nuisance, fly tipping and other environmental nuisance are issues which have been linked to the failure of private landlords to manage properties in an effective way.

- 2.7. The Department for Communities & Local Government (DCLG) has recently recognised Croydon as experiencing particular problems with rogue landlords and the illegal use of outbuildings as residential accommodation through the award of rogue landlords funding. This is a particularly worrying part of a larger problem of illegal planning activities driven by the demand for private rented accommodation.
- 2.8. What will selective licensing mean for the residents of Croydon? The council already takes a co-ordinated approach to tackling anti-social behaviour (ASB), fly-tipping and other environmental nuisance through the Safer Croydon Partnership and through using its statutory enforcement powers; however, more needs to be done. Selective licensing would ensure the council has a comprehensive licensing regime to effectively manage these issues and would make a significant contribution to the "**Don't Mess With Croydon**" campaign. It will deliver positive outcomes not only in terms of reducing ASB and nuisance, but also in protecting vulnerable tenants and driving up the standards in private rented housing.
- 2.9. The process for introducing selective licensing is set out in the Housing Act 2004. The Council must be satisfied there is a significant and persistent problem caused by anti-social behaviour in the borough, and that some or all of the private sector landlords are failing to take action to combat the problem. It must also ensure Selective Licensing is consistent with its overall housing strategy, that a co-ordinated approach is employed in connection with dealing with homelessness, empty properties and anti-social behaviour and that consideration has been given to other courses of action that might achieve the same objectives. It must also consult with the tenants, landlords, businesses and residents likely to be affected by selective licensing before it is brought in.
- 2.10. This report demonstrates that there is a link between the private rented sector and poor housing conditions, anti-social behaviour and nuisance. The council is passionate about tackling these issues and selective licensing will provide the means to do this. Taking the decision to start consultation is the first stage in the process.

### **3. THE PROCESS FOR INTRODUCING SELECTIVE LICENSING**

- 3.1. In 2010 the Department for Communities and Local Government published *Approval steps for additional and selective licensing designations in England*. This document provided guidance for local authorities considering introducing selective licensing. Despite the fact local authorities no longer require government consent to introduce selective licensing the document reiterates

the requirements set out in the Housing Act 2004 and remains a very useful guide to following a robust and comprehensive process. As mentioned in 2.9 above it also advises local authorities to ensure that a proposal to introduce selective licensing is consistent with their overall housing strategy; and that they adopt a coordinated approach in connection with dealing with homelessness, empty properties and anti-social behaviour affecting the private rented sector, and that consideration has been given to other courses of action that might achieve the same objectives.

- 3.2. The following paragraphs in section 3 examine the Council's approach to tackling problems in the private rented sector, the current housing strategy, the growth in the private rented sector and evidence of ASB and nuisance in the borough. Information on the private rented sector is set out in **Appendix 2** and on crime, ASB, and fly tipping in **Appendix 3**

#### **A co-ordinated approach**

- 3.3. The Council already uses a wide range of powers and approaches with respect to improving the condition of private sector housing in the borough, and for tackling crime, ASB and environmental nuisance. For example:
- The Council hosts a regular **private landlords forum** to inform local landlords of council and national policy, discuss local issues and promote council and other services relevant to landlords. Although these are well attended only a small percentage of the total number of private landlords engage.
  - Croydon is part of the **London Landlord Accreditation Scheme**
  - The Council provides a range of **offers to landlords and property owners** which are an important part of the homelessness strategy including
    - ◆ **Croylease** – which is designed for landlords who are prepared to offer their property to the council for five years, that want a guaranteed rental income, a full management service, and do not want the risk of void periods. The scheme is open to landlords with two or three bedroom houses in Croydon. It has a number of advantages for landlords that are risk averse and want a managed service - the lease is with the council, the landlord does not have to worry about getting tenants references, collecting rent and chasing up non-payment, void periods or managing agents fees.
    - ◆ **Private Sector Licensing** - the scheme is designed for landlords who want low risk and low hassle but cannot commit their property for a period of five years. The scheme enables the landlord to earn a regular income and to adjust the level of risk depending on the

agreement. A preferred providers leases the property for a minimum of one year and then licenses it the council. At the end of this period the lease can be renewed for a further term.

- ◆ **Croybond** – the scheme is designed for landlords who are prepared to manage their own property in return for a one-off incentive payment, one-month's rent in advance, a bond of six weeks and Local Housing Allowance rent levels. In return the council will nominate a tenant to occupy the property on an assured shorthold tenancy. The property must be in reasonable repair and the landlord must be able to provide gas and electrical safety certificates. In return the council's bond covers the same risks as a tenant's cash deposit, the council offers a speedy housing benefit processing, a support service to assist with tenancy sustainment, free of charge all legal documentation, and a free inventory "check-in and check-out" service.
- The Council's **housing enforcement** team improves the living conditions and safety of vulnerable households through inspection and enforcement action to improve standards. It also tackles poor housing conditions, inadequate drainage and public health nuisances, including improving rented housing up to the **London Rental Standard** through inspections, drain surveys and enforcement action. However it is known that many tenants do not approach the council for assistance due to fear of reprisals from their landlord. Selective licensing will give the council a "foot in the door" into all privately rented properties, enabling officers to deal with issues on a proactive basis without the tenant making a complaint.
- The Council has introduced **additional licensing** in order to drive up standards in houses in multiple occupation (**HMOs**) through inspection, issuing licenses, and enforcing license conditions
- As mentioned above, in response to a growing problem with rogue landlords and with people occupying poor quality and unsuitable dwellings the Council applied for and was awarded **rogue landlord funding**. The funding has enabled the council and its partners to kick-start a programme of robust engagement with rogue landlords, proactive joint working with key partners in identifying buildings and areas at greatest risk, and to take action to in the areas of the borough with the greatest problems
- the council's neighbourhood enforcement team and partners in the **Safer Croydon Partnership** work together to take tough action against ASB and nuisance
- the Council's tenancy relations team and local voluntary organisations providing housing advice to deal with harassment and illegal evictions from private rented accommodation and to prevent homelessness

- The Council's empty properties team and Croydon's Community Interest Company identify and work with empty property owners to bring **empty properties up to standard and back into use**.

3.4. The above demonstrates that the Council is actively using its current full range of powers to manage and regulate the private rented sector in Croydon, However, the increase in the private rented sector over the last ten years (more than 12,000 households) and increasing evidence of persistent and widespread poor standards in the private rented sector, environmental nuisance and ASB provide convincing evidence that further action needs to be taken. Subject to the outcome of the consultation, Selective Licensing provides the additional tools needed to tackle these increasingly prominent issues.

#### **Consistency with the housing and other strategies**

3.5. Croydon's vision is to become London's most enterprising borough. The Council's Community Strategy, Corporate Plan and Housing Strategy support this vision. They set out how the council and its partners are working towards making Croydon a better borough, where people feel safer, where there is less crime and anti-social behaviour and where vulnerable people are safeguarded and protected. Selective Licensing is consistent with Croydon's current housing strategy. It contributes to strategic objective 2 to *protect and improve existing housing in Croydon* and to strategic objective 6 to *improve health and wellbeing through decent homes and neighbourhoods*. The Housing Strategy was approved on the recommendation of Cabinet (Min ref. A3212) and by full council at its meeting on 30 April 2012 (item 16).

3.6. Selective Licensing is consistent with the overall approach to tackling homelessness, bringing empty properties back into use and taking a strong line on addressing ASB. The overall approach in Croydon is to intervene as early as possible when problems are identified, to provide support and advice to allow individuals and households to address their problems with targeted time limited support; however, where this is unsuccessful the Council uses robust enforcement action to resolve the problem. Selective Licensing provides early contact and engagement with landlords and allows the Council to offer support, training advice and assistance to help prevent problems in private rented housing before they arise.

#### **Growth in the private rented sector in Croydon**

3.7. The private rented sector in Croydon has increased significantly since 1991 according to census data - from 11% of the overall housing stock in 1991 to 21% of the Housing stock in 2011. There were 17,000 more households living in private rented accommodation in Croydon in 2011 than 20 years earlier. There has been an average growth in the number of households living in the private rented sector in Croydon of 76% over the ten years between 2001 and 2011. Wards such as Bensham Manor, Croham, West Thornton, Fairfield and Coulsdon East have seen increases in private renting of between 40% and

50%. At the higher end of the scale (even with the exemption of New Addington and Fieldway which both had small private rented sectors in 2001 and therefore saw large percentage increases over the period) wards such as Purley, Norbury, Upper Norwood have seen the private rented sector double since 2001. The average ward increase in the number of households accommodated in private rented accommodation between 2001 and 2011 is 512.

3.8. The growth in the private rented sector can be traced back to its deregulation in 1989. Other factors include the increasing availability of alternative forms of investment, increasing real incomes, the introduction of the Right to Buy and the availability of mortgages making it easier for people to move into home ownership. The DCLG conducted a national survey of private landlords in 2010 and found that:

- ◆ 89% of landlords were private individuals
- ◆ 22% of landlords were “new” (i.e. had been letting for 3 years or less)
- ◆ 63% of landlords had no relevant qualifications or experience
- ◆ 6% of landlords were members of a relevant professional body or organisation

3.9. **Appendix 2** includes further information on the development of the private rented sector in Croydon. The evidence clearly shows the sector in Croydon is largely a cottage industry with most landlords letting one or two properties. Voluntary accreditation schemes have not attracted sufficient membership to drive up standards. The sector is rapidly increasing and is largely unprofessional and unregulated which provides additional justification to consider introducing selective licensing.

### **Crime & ASB**

3.10. For the Council to introduce a borough wide selective licensing scheme it has to be satisfied it is an area which is experiencing a significant and persistent problem caused by ASB and that some or all of the private sector landlords who have let premises in the area are failing to take action to combat the problem that it would be appropriate for them to take, further, that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, lead to a reduction in, or the elimination of, the problem.

3.11. In 2012/13 Croydon reported the 8th highest number of fly-tips in London – 11,150 incidents. More than half of these incidents involved other household waste. Croydon has some of the highest levels of ASB incidents reported to the Police in London. Data on ASB reports to the Police for all London boroughs (i.e. the volume of reports) comparing the 12 months from May 2012 to April 2013 with May 2013 to April 2014 shows that Croydon has the 5th highest number of ASB reports to the police in London with 13,533 reports.



3.12. Detailed evidence regarding this aspect is set out in **Appendix 3**. The evidence clearly shows there is a significant and persistent level of relevant crime, ASB and environmental nuisance commonly associated with poorly managed, overcrowded and low quality private rented accommodation in Croydon.

**Private Sector Housing Condition**

3.13. Over the past three years the number of complaints or requests for action received by the council concerning private rented housing standards has more than doubled from 630 in 2010 to 1371 2013/14. This is only reported incidents, many tenants do not report issues for fear of reprisals.

3.14. According to Building Research Establishment data 10% (11,397) of private housing in Croydon is in disrepair, 17% (20,086) has category 1 hazards under the HHSRS and 37% (42,973) fails the decent home standard. There are well documented links between health and poor housing, evidenced in **Appendix 1**. These lead to higher costs relating to health care.

3.15. Selective licensing will enable the Council to be proactive, identifying hazards that the Council would otherwise be unaware of and will lead to a significant improvement in living conditions for private tenants. This, in turn should result in a reduction in health care and other costs.

**4. THE TAKE UP OF SELECTIVE LICENSING ELSEWHERE IN ENGLAND**

4.1. Statistics are not collected by Government on the implementation of Selective Licensing; however, Environmental Health News (EHN) published the results of a survey of English local authorities with selective licensing regimes in December 2013<sup>2</sup>.

4.2. The EHN survey showed that 15 local authorities had established Selective Licensing regimes, as follows:

<i>Authority</i>	<i>Date introduced</i>	<i>Licensing fee</i>
Burnley	2008	£750
Durham	2009	£350
Blackburn	2009	£500
Leeds	2009	£525
Sunderland	2010	£450
Stoke	2011	£500
Hyndburn	2012	£740
Wolverhampton	2012	£525

<sup>2</sup> <http://www.ehn-online.com/news/article.aspx?id=10582>

Gateshead	2013	£550
Newcastle	2013	£500
Hartlepool	2013	£600
Blackpool	2013	£670
Salford	2013	£476
Bristol	2013	£100
Newham	2013	£500

- 4.3. Most of the councils in the EHN survey provided evidence of the positive impact of Selective Licensing on management and property standards, as well as a slowing down in the “turnover” of tenants in the designated areas. Government is being lobbied to expand the criteria to enable local authorities to tackle issues in high demand areas with poor housing conditions where there is not necessarily a problem with anti-social behaviour.
- 4.4. The London Borough of Newham introduced Selective Licensing across the whole of their district in 2013, following a neighbourhood based pilot scheme covering 600 homes in Ilford with a high proportion of private rented accommodation, high levels of anti-social behaviour and low resident satisfaction. Newham took the decision to introduce selective licensing across the whole borough because of the increase in the private rented sector, increasingly visible signs of problems including rubbish and anti-social behaviour and concerns about the quality of accommodation being let including concerns over hazards, overcrowding and excess cold. Newham’s development of an effective online application, payment and communications has enabled the council to cope with the administration required. Since introducing the scheme Newham have received over 32,000 license applications, have registered 20,500 landlords, received £6.5 million in licence income, and alongside more effective enforcement of private rented housing have seen other benefits in council tax recovery, fraud detection, and resident satisfaction. Newham have banned 18 landlords as not “fit and proper”, carried out 243 enforcement prosecutions and issued 136 simple cautions, achieved an average court fine of £5988, with a maximum fine of £26,238.
- 4.5. The National Landlords Association (NLA) has tended to come out against the introduction of selective licensing schemes where they consider there is insufficient evidence to justify them. The NLA argue Selective Licensing imposes a disproportionate burden on responsible landlords, pushes rogue and criminal landlord further underground and would favour the use of accreditation schemes instead<sup>3</sup>. The NLA recently launched a campaign against the citywide introduction of Selective Licensing in Liverpool<sup>4</sup>. However, it must be noted that

<sup>3</sup> <http://www.landlords.org.uk/news-campaigns/news/nla-launches-social-media-campaign-on-selective-licensing>

<sup>4</sup> <http://www.landlords.org.uk/news-campaigns/news/nla-urges-landlords-and-tenants-unite-over-costly-citywide-licensing>

only around 6% of landlords are members of this association and therefore their actions are not representative. Selective licensing benefits good landlords and most importantly all tenants.

- 4.6. The Residential Landlords Association (RLA) contributing to a piece on Radio 4's *You and Yours* about retaliatory eviction broadcast on Friday 13<sup>th</sup> June 2014 stated they supported Newham's introduction of selective licencing. The RLA's Vice Chairman, Chris Town, speaking on the programme stated the RLA supported Newham's scheme as it helped raise standards of residential accommodation for tenants<sup>5</sup>.

## 5. CONSULTATION AND COMMUNICATIONS

- 5.1. Local authorities considering introducing selective licensing in their district or a part of their district must consult with those people likely to be affected.
- 5.2. The person/organisation commissioned to carry out the consultation will be responsible for setting out a detailed analysis of the extent, frequency and seriousness of anti-social behaviour in Croydon, providing an explanation of the proposed designation selective licensing designation and how it will tackle the problems identified and the potential benefits it will provide. The consultation will ask for views on:
- The proposed geographic extent of the proposed designation (i.e. the whole borough)
  - the charging scheme for licence fees
  - conditions to be applied to licences
  - potential discounts for licensed landlords e.g. for bulky waste collections
- 5.3. Those people and organisations likely to be affected by the proposal will be able to give their views in a variety of ways, including
- Through an on-line residents survey
  - Through an on-line stakeholder consultation questionnaire
  - At consultation forums with private rented sector tenants, landlords, letting agents and landlords representative organisations
- 5.4. A widely publicised campaign raising awareness of the consultation and encouraging participation will be launched via a range of methods including:
- flyers in regular council communications
  - flyers and posters sent to local leisure and community centres
  - Advertisements in the local newspapers throughout the consultation period
  - high visibility marketing on Croydon Council's Website

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<sup>5</sup> <http://www.bbc.co.uk/programmes/p020y9s2>

- Council officers' attendance at local landlord forums and residents association meetings
- 5.5. The consultation process is the first stage in deciding whether to introduce selective licensing in Croydon. It will bring the costs, benefits and requirements of selective licensing scheme to the attention of landlords, managing agents, tenants, residents and businesses in the borough and seek their views on the proposals. If, following the outcome of the consultation, the council decides to proceed with introducing selective licensing a communications strategy to further raise awareness, to explain what will be required of landlords and what selective licensing aims to achieve will form an important part of the implementation and on-going administration of the scheme.

## **6. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS**

- 6.1. Landlords must pay a fee for a licence issued under a selective licensing scheme.
- 6.2. Local authorities can set the level of the fee, however, it is expected that the level of fee should be 'transparent' and should cover the actual cost of the scheme's administration<sup>6</sup>. The Regulatory Impact Assessment on selective licensing makes it clear that authorities should not use fee income to raise additional revenue<sup>7</sup>.
- 6.3. Local authorities when constructing a licence fee should take account of the Housing Act 2004 and the Directive 2006/123/EC, Services in the Internal Market, brought into effect by the 2009 Services Regulations; SI 2009 No. 2999. The regulations require the "Competent Authority" (Local Authorities in this case) that are responsible for an authorisation scheme (certain licensing regimes that fall within the scope of the Directive) must be reasonable and proportionate to the cost of the application process.
- 6.4. Licensing fees are intended to be set on a cost recovery basis. The "responsible authority" (i.e. the local authority) can recover costs relating to the administration of the scheme, including the relevant costs it incurs as the environmental health authority, the planning authority etc. It cannot recover costs incurred by another authority (e.g. the Police). It also cannot recover costs incurred in taking enforcement action against landlords not covered by the scheme. The proposed scheme will charge a license fee sufficient to cover the cost of establishing and administering the scheme, including ensuring the compliance of landlords with license conditions. The costs will include:

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6 ODPM (March 2006) Regulatory Impact Assessment: Houses in Multiple Occupation and Selective Licensing and Management Orders

7 Paragraph 75, Explanatory Memorandum to The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 - 2006 No. 373

- additional staff to process applications (including recruitment and training)
- additional staff to carry out inspections of premises,
- the cost of dealing with appeals against licensing decisions
- the cost of a new Information Technology system to enable online application and payment,
- other costs associated with ensuring compliance with the scheme.

6.5. The administration costs for the licensing scheme have been estimated, as follows:

<b>Costs of administering</b>	No. of additional staff/properties	Salary plus staffing on costs and overheads	Total
Staffing:			
<i>Admin</i>	4	£40,300	£161,200
<i>Technical staff</i>	15	£71,500	£1,072,500
<i>Management</i>	1	£80,600	£80,600
IT costs			£500,000
Contact centre SLA			£50,000
Other costs			£100,000
Compliance costs	30,000		£2,595,700
Consultation and communications			100,000
<b>Total</b>			<b>£4,560,000</b>

6.6. There are a number of assumptions (based on the experience of Newham) that have been made in constructing the financial impact summarised in the table below as follows:

- The license fee will be set at £1,000 for a five year license period
- the licence fees will be discounted by £300 for landlords who apply for a licence before the designation comes into force (the “early bird” discount )
- 80% of landlords will apply in advance of the designation coming into force
- That properties let through council/ council approved schemes to provide accommodation for homeless households will be given further discounts to reflect cost savings to the council of temporary accommodation.

6.7. Current licence fees for an HMO are set at £240 per unit of accommodation for a five year period. On average HMOs contain five units of accommodation making the average HMO licence £1,200 for five years. The council will review the current HMO licensing fees and increase them to ensure they align with the proposed selective licensing fee and to ensure they fully reflect the costs of administering and monitoring compliance with the HMO scheme.

6.8. The financial impact of the proposal to introduce selective licensing in Croydon is summarised in the table below:

	Current	Medium Term Financial Strategy – 3 year		
	2014/15	2015/16	2016/17	2017/18
	£'000	£'000	£'000	£'000
<b>Revenue Budget</b>				
Expenditure	0	0	0	0
Income	0	0	0	0
<b>Effect of decision</b>				
Expenditure	0	4,560	4,560	4,560
Income	0	4,560	4,560	4,560
<b>Remaining budget</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Capital Budget</b>				
Expenditure	0	0	0	0
<b>Effect of decision</b>				
Expenditure	0	0	0	0
<b>Remaining budget</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

### The effect of the decision

#### Risks

- 6.9. A significant budget shortfall and a failure of the scheme to address the primary objective of addressing ASB if the scheme does not receive applications and fees from the anticipated number of licensable premises. This has been mitigated by taking a realistic view based on Newham's experience on the number of potentially licensable premises in the areas concerned, and ensuring that additional staffing resources are funded to identify un-licensed properties, carry out inspections and license properties.
- 6.10. A number of schemes across the country have been subject to Judicial Review raised by landlords and landlord associations. These have been successful where local authorities have failed to follow the correct processes or have been unable to justify part of their scheme, proposals or evidence base. There is the potential for additional and unfunded legal work to meet any challenges or cases which are brought against the local authority. To mitigate this risk, this report recommends funding for additional officers to carry forward consultation and implementation and/or consultancy support.
- 6.11. In 2013 the Court of Appeal upheld a High Court decision concerning the licensing of sex shops in the City of Westminster that licensing fees can only cover the administration of licensing schemes (i.e. not enforcement action taken against landlords operating outside the scheme)<sup>8</sup>. The interpretation of the European Directive *Services in the Internal Market* ("the Services Directive"),

<sup>8</sup> R v Westminster City Council ex parte Hemming and others (24/05/2013) - [2012] EWHC 1260 (Admin); [2012] EWHC 1582 (Admin)

implemented with effect from 28 December 2009, could have wide and serious wide and serious implications for other regulatory authorisation regimes. It appears from the rate at which landlords in Newham have applied for licenses that a only small proportion of landlords are likely to try and avoid compliance with the scheme.

- 6.12. Additional enforcement actions which may place an additional burden on the Community Protection team and Legal Services. Effective communication and robust enforcement at the start of the scheme should enable this risk to be reduced as much as possible and reduce the number of enforcement actions required.
- 6.13. Irresponsible and/or rogue landlords could migrate from neighbouring boroughs introducing licensing schemes; however, this risk is mitigated through approval for a scheme designating all wards in Croydon as a selective licensing scheme.

## **Options**

### **Future savings/efficiencies**

- 6.14. The scheme itself would be self-financing. A scheme has the potential to create savings in a number of areas:
- Health benefits: the most common significant hazard found in older properties is excess cold which can be easily remedied by the installation of an adequate heating system and insulation at an average cost of around £5,000. This would also contribute to reducing fuel poverty. The health care costs associated with one person suffering from health problems related to living in a cold property are around £20,000. Another significant hazard is trips and falls – works to remove the risk of these costs less than £400 but the cost to care for someone who has been injured by falling over is £3,000.
  - **Fraud detection:** Other licensing schemes have identified housing benefit, council tax benefit and leasehold tenancy fraud through their schemes, recouping money for the public purse as a result and bringing much needed council properties back into use for people that need them.

*Approved by: Lisa Taylor Head of Finance and Deputy S151 Officer*

## **7. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER**

- 7.1. The Council Solicitor comments that before a designation for Selective or Additional Licensing can be introduced the Council must comply with the statutory framework set out in the Housing Act 2004.

### **Conditions in the area considered for a selective licensing designation**

- 7.2. Designations for Selective Licensing can be considered and introduced for an area in a local authority district, or for the whole of the local authority district (as in Newham). The local housing authority must be satisfied that either the area under consideration is, or is likely to become, an area of low housing demand and that the making of the designation, when combined with other measures, will contribute to the improvement of the social and economic conditions in the area.
- 7.3. Alternatively, designations for Selective Licensing can be considered where the local housing authorities consider that the area is suffering from anti-social behaviour and the following criteria are satisfied:
- the area is experiencing a significant and persistent problem caused by anti-social behaviour, including:
    - ◆ vandalism, criminal damage, burglary, robbery/theft and car crime
    - ◆ intimidation and harassment; noise, rowdy and nuisance behaviour; animal related problems; vehicle related nuisance; begging; anti-social drinking; street prostitution and kerb-crawling
    - ◆ graffiti and fly-posting; fly-tipping; litter and waste; nuisance vehicles; drugs paraphernalia; fireworks misuse
  - 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 and;
  - that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, lead to a reduction in, or the elimination of, the problem.

### **Tenancies exempt from Selective licensing**

- 7.4. A number of types of tenancy are exempt from Selective Licensing schemes including:
- Those operated or administered by registered social landlords or local authorities
  - houses in Multiple Occupation (HMOs) subject to mandatory or discretionary licensing under Part 2
  - those where a Temporary Exemption Notice (TEN) is in force
  - those where a management order is in force under Part 4 of the Housing Act 2004.

Other categories of tenancy or licenses that are exempt from the licensing requirements are specified in the Selective Licensing of Houses (Specified Exemptions) (England) Order 2006.



### **Additional matters to be taken into account**

- 7.5. Additional matters that the local authority must consider before a Selective Licensing designation is made are specified in sections 81 and 82 of the Housing Act 2004. These include:
- ensuring that the introduction of Selective Licensing is consistent with its overall housing strategy
  - that the Council must seek to adopt a co-ordinated approach in connection with dealing with homelessness, empty properties and anti-social behaviour
  - that the Council should not make a designation unless it has considered other courses of action that might provide an effective remedy for achieving the objective or objectives of the proposed designation

### **Licence conditions**

- 7.6. If selective licensing is introduced, the local authority has discretion to set the precise conditions of any licence it intends to grant with regard to anti-social behaviour and the general management of the property. In addition there are certain mandatory conditions which must be included in a licence - for example, licensees are required to:
- present a gas safety certificate annually to the LHA, if gas is supplied to the house;
  - keep electrical appliances and furniture (supplied under the tenancy) in a safe condition;
  - keep smoke alarms in proper working order;
  - supply the occupier with a written statement of the terms of occupation; and
  - demand references from persons wishing to occupy the house.

### **Granting a license – ‘fit and proper’ persons**

- 7.7. In deciding whether or not to grant a licence local authorities must consider whether the landlord (or the managing agent) is a ‘*fit and proper*’ person. The rules that must be followed in order to determine this are set out in section 89 of the Act. The local authority must have regard to any previous convictions relating to violence, sexual offences, drugs or fraud; whether the proposed licence holder has contravened any laws relating to housing or landlord and tenant issues; and whether the person has been found guilty of unlawful discrimination practices.
- 7.8. The local authority can decide, following the appropriate checks, that the landlord is not ‘*fit and proper*’ and therefore refuse to grant a licence. The landlord has the right to appeal against this decision. The local authority can

also withdraw a licence after issue if the licensee is no longer considered a '*fit and proper*' person.

- 7.9. The local authority must also satisfy itself that the person to whom the licence is granted is the most 'appropriate' person – which could involve taking into account whether they are locally resident and have management responsibility for the property in question. This is to ensure that landlords that are not '*fit and proper*' persons cannot apply for licenses using a third party.

#### **Satisfactory management arrangements**

- 7.10. The local authority must also confirm that there are satisfactory management arrangements in place regarding the property; in doing so, it must have regard to a range of factors including: the competence of the manager; management structures; and soundness of the financial arrangements.
- 7.11. Licences are issued for a period of 5 years, although local authorities may issue licences for shorter periods under certain circumstance e.g. where certain requirements of the licence had not been met.

#### **Sanctions**

- 7.12. Landlords that fail to comply with any licence conditions can be prosecuted. Those prosecuted can face a fine of up to £5,000 for each offence. Operating a property without a licence in a designated area can attract a fine of up to £20,000. The local authority is also obliged to take reasonable steps to ensure that applications are made for all licensable properties in the designated area.

#### **Designation ceases to have effect after 5 years**

- 7.13. The selective licensing designation ceases to have effect from the original the local authority no later than five years after the date on which the designation comes into force.
- 7.14. In undertaking the consultation required by s.80 and s.81 of the Housing Act 2004, case law has emphasised the duty to consult properly, the key elements of which can be summarised as:
- Consult when proposals are at the formative stage;
  - Reasons for proposed changes should be given;
  - Options should be given including the option to do nothing;
  - Sufficient time should be given;
  - Full information should be given, not partial.
- 7.15. On conclusion of the Housing Act 2004 requires that any representations made and not withdrawn are considered.

#### **Consultation**

- 7.16. Before making a designation order the local authority must take reasonable steps to consult persons who are '*likely to be affected*' by the designation and

consider any representations made and not withdrawn. This is an important to enable the authority to be satisfied that the statutory conditions are met.

7.17. The consultation should provide a **detailed explanation** of the proposed Selective Licensing designation, an explanation of the reasons for the designation, how it will tackle specific problems, and the potential benefits it will provide.. Those *'likely to be affected'* includes:

- Tenants in the designated area
- Landlords in the designated area
- Managing agents in the designated area
- Members of the community living or operating a business or providing a service within the proposed designated area and surrounding areas

7.18. The introduction of a Selective Licensing Scheme might be argued to interfere with a landlord's right to peaceful enjoyment of property (under Article 1, First Protocol, European Convention on Human Rights). However, proper consultation and consideration of the outcomes will help demonstrate that, should a scheme be introduced, any interference is lawful and proportionate.

*(Approved by: Gabriel MacGregor, Head of Corporate Law on behalf of the Council Solicitor & Director of Democratic & Legal Services)*

## **8. HUMAN RESOURCES IMPACT**

8.1. There are no immediate adverse HR considerations that arise from the recommendations of this report for LBC staff.

*(Approved by: Michael Pichamuthu, Strategic HR Business Partner on behalf of the Director of Workforce, Equality & Community Relations)*

## **9. EQUALITIES IMPACT**

9.1. An initial equality analysis on the proposal to introduce a private sector housing Selective Licensing Scheme in Croydon has been completed. The findings from this analysis indicate that introducing a selective licensing scheme may have both a potential positive and a likely adverse impact on certain groups that share a "protected characteristics". Tenants in general will benefit from the raised quality of accommodation within the private rented sector and improved management service as a result of licensing. However tenants may also be impacted by an increase in their housing costs as landlords seek to pass on some or all of the costs of licensing through higher rent levels. The equality monitoring information that is currently available on the breakdown private rented tenants by "protected characteristics" both from the 2011 census and the English Housing Survey indicates that BME groups are overrepresented, and older and vulnerable people also tend to be overrepresented in poorer condition properties. Selective licensing if introduced will impact also on landlords in the

private rented sector who will be required to pay the licence application fee and, if their properties are below standard, to carry out works to bring their property up to standard. Residents and businesses are likely to benefit from less anti-social behaviour and environmental nuisance as a result of a selective licensing designation. This may also deliver improved health and welfare outcomes for residents.

- 9.2. Work on the equality analysis is currently in progress. A full equality analysis will be completed as a part of consultation and development of the proposal to introduce a Selective Licensing scheme in Croydon. The equality analysis will further examine the likely impact of the proposed scheme on tenants particularly on those who share a protected characteristic in relation to ethnicity, age and disability and will suggest mitigating actions to address any likely adverse impact.
- 9.3. The equality analysis will enable the Council to ensure that it meets the statutory obligation in the exercise of its functions to address the Public Sector equality duty (PSED). This requires public bodies to ensure due regard to the need to advance equality of opportunity; foster good relations between people who share a “protected characteristic” and those who do not and take action to eliminate the potential of discrimination in the provision of services.

## **10. ENVIRONMENTAL IMPACT**

- 10.1. The overall environment will be improved with a reduction in fly tipping by landlords and tenants, and improved street scene and better tenancy management standards.
- 10.2. As more properties will be inspected, and action taken to improve the energy efficiency in a significant number of these properties, there will be a small reduction in energy consumption and carbon dioxide emissions for the borough.

## **11. CRIME AND DISORDER REDUCTION IMPACT**

- 11.1. Licences would contain a condition that the landlord must take all reasonable steps to prevent or reduce anti-social behaviour by persons occupying or visiting the house. Landlords who breach the licence conditions may be prosecuted or have the licence revoked. This should lead to a reduction in anti-social behaviour.
- 11.2. The Crime and Disorder Act 1998 requires at section 17: It shall be the duty of each authority to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to all that it reasonably can to prevent, crime and disorder it its area.

## **12. OPTIONS CONSIDERED AND REJECTED**

The following options have been considered and rejected:

- 12.1. A voluntary accreditation scheme. This option was rejected as responsible landlords will generally have already joined an accreditation scheme such as ARLA or LLAS. This option will do nothing to reach those landlords of concern and tackle the problems of anti-social behaviour and nuisance.
- 12.2. A localised scheme. There is concern that limiting the scheme to specific wards will displace problems to other wards. The experience of mandatory licensing was that rogue landlords generally stopped using licensable HMO's in favour of HMO's which didn't need a licence. A borough wide scheme was brought in to tackle this. Additionally, with other London boroughs considering selective licensing there is a risk that if a borough wide scheme is not implemented poor landlords will be displaced from these boroughs to Croydon.
- 12.3. Do nothing. There is concern that this option will do nothing to address anti-social behaviour evidenced in the report.

**CONTACT OFFICER:** Dave Morris, Housing Strategy Manager, telephone 020 8726 6000 ext. 60539 or email [david.2.morris@croydon.gov.uk](mailto:david.2.morris@croydon.gov.uk)

**BACKGROUND PAPERS:**

None

**Appendix 1**  
**The links between public health and housing**

## APPENDIX 2: GROWTH IN THE PRIVATE RENTED SECTOR

- A. The private rented sector has increased in Croydon since 1991 according to census data. From 11% of the overall housing stock in 1991 to 21% of the Housing stock in 2011. There were 17,000 more households living in private rented accommodation in Croydon in 2011 than 20 years earlier. Figure 1 below shows the decrease and then growth of the private rented sector in Croydon since 1971.

### Figure : The percentage of households living in different housing tenures – Croydon 1971 to 2011 (census data)

- B. The private rented sector provides a home to one in five households in Croydon and is now the dominant form of rented housing in the borough. It plays an increasingly valuable role in providing housing for households for whom home ownership and social renting may not be options e.g. students, people on housing benefit, younger households unable to yet afford home ownership, those in transition due to family break up, recent migrants. The increase in the cost of living in recent years has contributed to an increase in families unable to afford their own homes who are now renting in the private sector. Difficulty in affording the rent can result in families renting poor quality, overcrowded accommodation because it is cheaper.
- C. The growth in the private rented sector can be traced back to its deregulation in 1989. Other factors include the increasing availability of alternative forms of investment, increasing real incomes, the introduction of the Right to Buy and the availability of mortgages making it easier for people to move into home ownership. The Housing Act 1988 (which came into force on 1 January 1989) allowed landlords for all new lettings to let at market rates with limited rights to refer rent increases to a Rent Assessment Committee.
- D. The national growth in the private rented sector since 1989 can be divided into three phases:
- ◆ **1989 to mid-1990s** – the sector's steady decline is reversed and private sector tenancies increase by 20%. This is during a housing market downturn, with high mortgage interest rates period and falling house prices
  - ◆ **1997 to 2001** – growth in the sector decreased due to first time buyers moving into owner occupation and reducing demand for renting
  - ◆ **2003 to 2008** – further rapid expansion largely fuelled by Buy to Let mortgages

- E. Buy to Let (BTL) mortgages were created in 1996 to enable investment in residential accommodation at competitive rates and have helped generate a new supply into the sector from non-professional landlords operating at a small scale (i.e. letting one or two properties). BTL mortgage activity peaked in 2007 and then saw a sharp reduction following the credit crunch in 2008, however, private sector growth continues to be driven by landlords reluctant to sell in the current market. The DCLG conducted a national survey of private landlords in 2010 and found that:
- ◆ 89% of landlords were private individuals
  - ◆ 22% of landlords were “new” (i.e. had been letting for 3 years or less)
  - ◆ 63% of landlords had no relevant qualifications or experience
  - ◆ 6% of landlords were members of a relevant professional body or organisation
- F. Table 1 below shows the number of households in each ward in the borough broken down by housing tenure from the 2011 census (Table QS405EW).

**Table : Households in Croydon broken down by housing tenure – Census 2011 (Next Page)**



	<b>All Households</b>	<b>Owned; Total</b>	Owned; Owned Outright	Owned; Owned with a Mortgage or Loan	Shared Ownership (Part Owned and Part Rented)	<b>Social Rented; Total</b>	Social Rented; Rented from Council (Local Authority)	Social Rented; Other Social Rented	<b>Private Rented; Total</b>	Private Rented; Private Landlord or Letting Agency	Private Rented; Employer of a Household Member	Private Rented; Relative or Friend of Household Member	Private Rented; Other	<b>Living Rent Free</b>
Fairfield	<b>7837</b>	<b>3115</b>	1454	1661	220	<b>1213</b>	284	929	<b>3186</b>	3055	18	83	30	<b>103</b>
Addiscombe	<b>7553</b>	<b>3899</b>	1380	2519	81	<b>1035</b>	472	563	<b>2452</b>	2327	10	89	26	<b>86</b>
South Norwood	<b>7724</b>	<b>3705</b>	1284	2421	81	<b>1601</b>	770	831	<b>2234</b>	2123	7	71	33	<b>103</b>
Selhurst	<b>7462</b>	<b>2971</b>	874	2097	162	<b>2019</b>	1046	973	<b>2182</b>	2089	4	72	17	<b>128</b>
Croham	<b>6999</b>	<b>4207</b>	1702	2505	96	<b>584</b>	98	486	<b>2056</b>	1966	9	67	14	<b>56</b>
Broad Green	<b>7029</b>	<b>2897</b>	938	1959	135	<b>1932</b>	1110	822	<b>1990</b>	1892	6	72	20	<b>75</b>
Woodside	<b>6933</b>	<b>3681</b>	1117	2564	141	<b>1373</b>	386	987	<b>1670</b>	1615	5	42	8	<b>68</b>
Bensham Manor	<b>5952</b>	<b>3411</b>	1306	2105	104	<b>706</b>	215	491	<b>1669</b>	1566	11	78	14	<b>62</b>
West Thornton	<b>6108</b>	<b>3274</b>	1273	2001	124	<b>956</b>	314	642	<b>1651</b>	1555	5	57	34	<b>103</b>
Waddon	<b>7106</b>	<b>3492</b>	1271	2221	89	<b>1812</b>	1134	678	<b>1620</b>	1511	29	63	17	<b>93</b>
Thornton Heath	<b>6571</b>	<b>3553</b>	1169	2384	56	<b>1292</b>	631	661	<b>1582</b>	1474	7	81	20	<b>88</b>
Norbury	<b>6055</b>	<b>3621</b>	1622	1999	90	<b>837</b>	560	277	<b>1428</b>	1359	6	53	10	<b>79</b>
Upper Norwood	<b>6497</b>	<b>3588</b>	1356	2232	87	<b>1339</b>	743	596	<b>1423</b>	1321	9	71	22	<b>60</b>
Purley	<b>5696</b>	<b>4076</b>	1768	2308	89	<b>432</b>	147	285	<b>1034</b>	966	4	58	6	<b>65</b>
Heathfield	<b>5448</b>	<b>4120</b>	1821	2299	28	<b>509</b>	338	171	<b>747</b>	674	9	57	7	<b>44</b>
Kenley	<b>5881</b>	<b>4359</b>	1782	2577	94	<b>669</b>	297	372	<b>713</b>	677	0	32	4	<b>46</b>
Ashburton	<b>5532</b>	<b>3713</b>	1611	2102	55	<b>1192</b>	855	337	<b>534</b>	491	2	34	7	<b>38</b>
Coulsdon West	<b>4793</b>	<b>4003</b>	1751	2252	14	<b>220</b>	151	69	<b>526</b>	492	3	23	8	<b>30</b>
Shirley	<b>5586</b>	<b>4118</b>	2028	2090	14	<b>1032</b>	716	316	<b>368</b>	326	7	29	6	<b>54</b>
Sanderstead	<b>4869</b>	<b>4146</b>	2063	2083	7	<b>326</b>	263	63	<b>347</b>	321	7	18	1	<b>43</b>
New Addington	<b>4009</b>	<b>1938</b>	784	1154	39	<b>1691</b>	1236	455	<b>307</b>	282	4	16	5	<b>34</b>

Selsdon and Ballards	4471	4056	2059	1997	12	89	46	43	282	257	9	14	2	32
Coulsdon East	4912	3950	1925	2025	25	612	486	126	280	243	10	24	3	45
Fieldway	3987	1337	544	793	12	2416	2064	352	191	180	0	8	3	31

- G. 2011 census figures show the total number of households in privately rented properties (via private landlord or letting agency) as 28,762 - including households living in houses in multiple occupation (HMOs).

### Growth of the private rented sector in Croydon since 2001

- H. There has been an average growth in the number of households living in the private rented sector in Croydon of 76% over the ten years between 2001 and 2011. Wards such as Bensham Manor, Croham, West Thornton, Fairfield and Coulsdon East have seen increases in private renting of between 40% and 50%. At the higher end of the scale (ignoring New Addington and Fieldway which both had small private rented sectors in 2001 and therefore saw large percentage increases over the period) wards such as Purley, Norbury, Upper Norwood have seen the private rented sector double since 2001. The average ward increase in the number of households accommodated in private rented accommodation between 2001 and 2011 is 512. Table 2 below shows the increase in the number of households accommodated in private rented accommodation in each ward in Croydon between 2001 and 2011.

	Private rented 2001	Private Rented 2011	Number of households different between 2001 and 2011	% increase
New Addington	122	307	185	151.6%
Fieldway	86	191	105	122.1%
Purley	486	1034	548	112.8%
Norbury	724	1428	704	97.2%
Upper Norwood	723	1423	700	96.8%
Broad Green	1031	1990	959	93.0%
Waddon	843	1620	777	92.2%
Heathfield	410	747	337	82.2%
Kenley	404	713	309	76.5%
South Norwood	1270	2234	964	75.9%
Coulsdon West	300	526	226	75.3%
Sanderstead	198	347	149	75.3%
Addiscombe	1404	2452	1048	74.6%
Selhurst	1254	2182	928	74.0%
Ashburton	313	534	221	70.6%
Selsdon and Ballards	168	282	114	67.9%
Shirley	230	368	138	60.0%
Woodside	1068	1670	602	56.4%
Thornton Heath	1020	1582	562	55.1%

Bensham Manor	1137	1669	532	46.8%
Croham	1404	2056	652	46.4%
West Thornton	1145	1651	506	44.2%
Fairfield	2238	3186	948	42.4%
Coulsdon East	198	280	82	41.4%

**Table : Census data from 2001 and 2011 showing households accommodated in private rented accommodation by ward – Croydon**

- I. Figure 2 below shows the number of households in Croydon in 2011 broken down by the type of property they were occupying.

**Figure : Households in Croydon broken down by type of housing – Census 2011**

## APPENDIX 3: CRIME AND ANTI-SOCIAL BEHAVIOUR

- I. The trend overall in crime in Croydon is decreasing. The number of criminal offences has decreased from a base line of 35,662 offences in 2004 to a low of 28,375 offences in 2013 - a 20.43% reduction against the baseline year and a 12.46% reduction when comparing 2012 to 2013. Figure 3 below shows the trend in criminal offences in Croydon over the ten years from 2004 to 2013.

**Figure : Total Notifiable Offences – Croydon**

- II. Table 3 below summarises the current position with regard to criminal offences particularly relevant to the designation of selective licensing.

	Apr 11 - Mar 12	Apr 12 - Mar 13	Variance	Prev % change Apr 10-Mar 11 vs Apr 11-Mar 12	% change Apr 11-Mar 12 vs Apr 12-Mar 13	
<b>B ur gl ar y</b>	Residential burglary	2836	2909	+73	-2.34%	+2.57%
	Non-residential burglary	1657	1215	-441	+13.49%	-26.67%
	<b>Burglary total</b>	<b>4493</b>	<b>4124</b>	<b>-369</b>	<b>+2.95%</b>	<b>-8.21%</b>
<b>R o b b e r y</b>	Personal robbery	1644	1877	+233	+11.91%	+14.17%
	Commercial robbery	191	155	-36	-17.04%	-7.71%
	<b>Robbery total</b>	<b>1835</b>	<b>2032</b>	<b>+197</b>	<b>+10.07%</b>	<b>+10.73%</b>
<b>T h e f t</b>	Theft person	759	857	+98	+8.45%	+7.79%
	Theft of motor vehicle	998	921	-77	-17.04%	-7.71%
	<b>Theft from motor vehicle</b>	<b>2871</b>	<b>2681</b>	<b>-190</b>	<b>-2.14%</b>	<b>-6.61%</b>

**Table : Criminal Offences relevant to selective licensing – Croydon 2012/13**

### Anti-social behaviour

- III. The council produced a detailed evidence base setting out the rationale for introducing additional HMO licensing in Croydon in 2009. The report describes the borough in terms of its population and diversity, housing tenure and goes on to set out the distribution of HMOs, enforcement activity, hot spots and displacement, and anti-social behaviour and the rationale for introducing additional licensing. The following evidence brings the HMO licensing report up to date.
- IV. Anti-social behaviour (ASB) in Croydon remains a persistent issue. In 2012/13 there were 16,116 incidents of ASB reported to the police in Croydon. Incidents of ASB reported to the Police are recorded against 13 categories as follows:

- ◆ Rowdy or inconsiderate behaviour
- ◆ Noise
- ◆ Nuisance neighbours
- ◆ Trespass
- ◆ Prostitution related activity
- ◆ Littering / Drugs paraphernalia
- ◆ Street drinking
- ◆ Malicious communications
- ◆ Vehicle nuisance/inappropriate vehicle use
- ◆ Abandoned vehicles (not stolen or an obstruction)
- ◆ Animal problems
- ◆ Begging /vagrancy
- ◆ Inappropriate use/ sale/ possession of fireworks

- V. Newham provided evidence in support of their selective licensing designation showing Police ASB data for the period October 2010 to March 2012<sup>9</sup>. This evidence shows that Croydon had during this period the 5<sup>th</sup> highest number of ASB incidents in London – 27,120 (equivalent to 17,128 per 12 month year). The highest number of incidents were reported in Westminster (34,901), the 2<sup>nd</sup> highest in Tower Hamlets (32,101) and the 3<sup>rd</sup> highest in Newham (29,989 – only 2,869 more incidents reported than in Croydon).
- VI. It also shows the number of ASB incidents reported to the Police relating to nuisance neighbours in Croydon during this period was 2,547 (the 7<sup>th</sup> highest rate in London) and relating to noise nuisance was 1,337 (the 9<sup>th</sup> highest rate in London).
- VII. The trend in ASB behaviour recorded by the Police over the past three years in Croydon has been slowly decreasing as shown in Figure 4 below. However, ASB remains a substantial and persistent problem with between 13,000 and 18,000 incidents reported to the Police per year – equivalent to between 38.9 and 50.8 incidents per 1,000 population over the three years between 2010/11 and 2012/13.

**Figure : Anti-social behaviour incidents reported to the police – Croydon 2010 to 2013**

- VIII. A detailed breakdown of ASB incidents reported in Croydon comparing figures for 2011/12 and 2012/13 is provided in Table 4 below:

<sup>9</sup> [Appendix 5 ASB and PRS Evidence Base report FINAL - https://mgov.newham.gov.uk/documents/s53751/Appendix%205%20ASB%20and%20PRS%20Evidence%20Base%20report%20FINAL.pdf](https://mgov.newham.gov.uk/documents/s53751/Appendix%205%20ASB%20and%20PRS%20Evidence%20Base%20report%20FINAL.pdf)

		Apr 11 - Mar 12	Apr 12 - Mar 13	Variance	% change Apr 11- Mar 12 vs Apr 12- Mar 13
<b>Call and des</b>	<b>Rowdy/inconsiderate behaviour</b>	10971	8465	-2506	-22.84%
	<b>Vehicle abandoned not stolen</b>	487	448	-39	-8.00%
	<b>Vehicle nuisance / inappropriate use</b>	1063	1245	+182	+17.12%

	Rowdy / nuisance neighbours	1780	1468	-312	-17.52%
	Littering / drugs paraphernalia	96	113	+17	+17.70%
	Animal problems	520	417	-103	-19.80%
	Trespass	280	628	+348	+124.28%
	Malicious / nuisance communications	1365	1588	+223	+16.33
	Street drinking	44	42	-2	-4.54
	Prostitution	31	32	+1	+3.22
	Noise	1006	1248	+242	+24.05%
	Begging / vagrancy	147	262	+115	+78.23
	Fireworks	209	160	-49	-23.44
	<b>CAD ASB Total</b>	<b>17999</b>	<b>16116</b>	<b>-1883</b>	<b>-10.46%</b>
	Dwelling fires	298	273	-25	-8.28%
	Non-domestic building fires (RRO Yes)	128	63	-65	-50.78%
	AFA - buildings other than dwellings	696	561	-135	-19.39%
	Shut in lift releases	118	81	-37	-31.35%
	Time by station based staff on community safety	12%	12%	=	0.00%
London Fire Brigade	Home fire safety visits - volume station based staff	3490	3749	+259	+7.42%
	Home fire safety visits high risk areas high risk people	1837	2682	+845	+45.99%
	Home fire safety visits P1 post codes / P1 people (%)	57%	84%	+27%	+27%
	Home fire safety visits area risk (geographic borough)	3948	4364	+416	+10.53
	All primary fires in care homes and sheltered housing	N/A	19	N/A	N/A
	Injuries (excluding precautionary checks) from primary fires	N/A	49	N/A	N/A
	Outdoor rubbish fires	N/A	237	N/A	N/A
	Arson (all deliberate fires)	N/A	215	N/A	N/A
London Ambulance	Call out to assaults	2218	2022	-196	8.84%
	Call out to drug overdose	18	33	+15	+83%
	Call out to alcohol related	2194	2493	+299	+13.62%

**Table : CAD ASB Reports Summary – Croydon 2012/13**

- IX. Table 4 above shows a substantial increase in noise nuisance, vehicle nuisance, trespass and littering in 2012/13. The table also shows the borough continues to have a substantial problem with noise nuisance with more than 1,200 incidents reported, rowdy or nuisance neighbours with nearly 1,500 incidents reported, as well as more than 600 reported incidents of trespass.
- X. Data on ASB reports to the Police for all London boroughs (i.e. the volume of reports) comparing the 12 months from May 2012 to April 2013 with May 2013 to April 2014 shows that Croydon has the 5<sup>th</sup> highest number of ASB reports to

the police in London with 13,533 reports. Figure 5 below sets out the figures for ASB reports to the Police for 2012/13 and 2013/14 by borough.

#### **Figure : ASB reports to the Police – May 2012 to April 2013 and May 2013 to April 2014**

- XI. Data on ASB reports to the Police for all London boroughs broken down by types of ASB reported (personal, nuisance and environmental) for the Month of April 2014 again show that Croydon has the 5th highest number of ASB reports relating to nuisance to the police in London with 731 reports. Figure 6 below sets out the figures for reports to the Police relating to personal, nuisance and environmental ASB for the month of April 2014 by borough.

#### **Figure : ASB reports to the Police relating to personal, nuisance and environmental ASB – for the Month of April 2014**

##### **Fly-tipping**

- XII. Data on fly-tipping is reported to the Department for Environment, Food and Rural Affairs (DEFRA) on a monthly basis. Two thirds of fly-tips involve household waste and local authorities in England responded to more 700,000 fly-tips in 2012/13 at an estimated cost of £36 million. This is only reported fly-tipping and is not the whole picture. The national trend in incidents of fly-tipping is decreasing.
- XIII. In 2012/13 Croydon reported the 8th highest number of fly-tips in London – 11,150 incidents. More than half of these incidents involved other household waste. The total estimated clearance costs for 2012/13 were more £750,000. Figure 7 below shows the number of fly-tipping incidents in Croydon Broken down by ward for the period April 2013 to November 2013.

#### **Figure : Fly-tipping incidents 2013/14 – Croydon wards**

- XIV. Figure 8 below brings the picture together by setting out incidents of fly-tipping, reports of ASB and the number of households accommodated in private rented accommodation according to the census 2011.

#### **Figure : Private rented housing, ASB incidents and fly-tipping – Croydon wards**