

# **Sandwell Metropolitan Borough Council**

## **Additional and Selective Licensing - Evidence Base**

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## 1. Foreword

Sandwell is a metropolitan borough of the West Midlands county in England. The borough is named after the Sandwell Priory, and spans a densely populated part of the West Midlands conurbation.

Sandwell was formed in 1974. The Borough comprises of 6 towns – Oldbury, Rowley Regis, Smethwick, Tipton, Wednesbury and West Bromwich.

Bordering Sandwell is the City of Birmingham to the east, the Metropolitan Borough of Dudley to the south and west, the Metropolitan Borough of Walsall to the north, and the City of Wolverhampton to the north-west. Spanning the borough are the parliamentary constituencies of West Bromwich West, West Bromwich East, Warley, and part of Halesowen and Rowley Regis, which crosses into the Dudley borough.

Our residents come from many different cultures and we are proud of our diverse communities, many of whom have chosen to settle and remain in Sandwell.

Sandwell is a place of great opportunity. Growth is at the heart of our ambition and we recognise that the changes affecting the borough provide both exciting opportunities and significant challenges.

Demand for housing is at an all-time high and Sandwell needs a wide range of homes, in terms of size, type and tenure to meet the diversity of current and future needs. Rather than compromise the housing standards and conditions of both new and existing housing to meet the ever-increasing demand, we want to ensure that all who live in our borough have access to decent, secure housing.

We need more homes, but those homes need to be of a high quality. We believe that a safe, warm and well-maintained home should be available to all and not influenced by the person's level of income or background. We want the private sector, which makes up a quarter of Sandwell's housing, to thrive and be part of that offer.

Equally we need to improve peoples' surroundings and their local environment by reducing crime and anti-social behaviour. This includes modern slavery, fly-tipping, rubbish left on the highway and front gardens. All blight communities and become a barrier to creating homes and communities where people choose to live. This type of anti-social behaviour contributes to a perception of an area being unsafe which can subsequently encourage further disorder and crime.

We consider that introducing Selective and Additional licensing schemes are the best tools available to tackle problems of poor housing management practices and conditions within the West Bromwich area. Licensing will become part of a wider strategic approach to drive up living standards for all, improve the environment and make Sandwell a thriving, optimistic and resilient community to live in.

Councillor Hadley

Cabinet Member for Homes.

## 2. Introduction - Licensing the private sector

### **Background information**

The private rented sector plays an important part in providing accommodation in the borough. The sector in Sandwell has grown from 5% in 2001, to 15% in 2011 through to an estimated 26% (34,386) units of accommodation in the borough for 2018. There are numerous high-quality landlords and letting agents providing a range of property types throughout the borough to meet a broad range of housing needs.

The borough has faced a major increase in private rented accommodation in some areas and it is recognised that there are landlords and agents who do not provide adequate accommodation or management of their properties. This poor management of properties has a significant impact on people's lives and on council and partner resources in tackling issues such as anti-social behaviour, modern slavery, fly tipping of domestic waste, concerns about property condition and harassment and illegal eviction.

Under the Housing Act 2004, there are three forms of licensing relating to private sector housing available to local authorities.

### **Mandatory Licensing of certain HMOs**

All local authorities are obliged to run a licensing scheme covering Houses in Multiple Occupation (HMOs) that have five or more people who are not living together as a single household.

### **Additional Licensing – HMO**

Local authorities can introduce a discretionary additional scheme for other types of HMOs not subject to mandatory licensing in part or whole of the area within its district.

### **Selective Licensing**

A discretionary selective licensing scheme covers all other private sector dwellings and can be introduced in part or whole of the borough.

All licensing schemes are intended to address the impact of poor quality housing, rogue landlords and anti-social tenants. In an area subject to licensing, all private landlords must obtain a licence and if they fail to do so, or fail to achieve acceptable management standards, the authority can take enforcement action. Schemes run for a maximum period of five years and a fee is payable for each license.

## Statutory conditions and evidence

### Additional HMO Licensing

Under Part II of the Housing Act 2004, local authorities can designate areas or the whole of the area within their district as subject to additional licensing in respect of some or all the privately rented HMOs in its area that are not already subject to mandatory licensing.

Before making an additional HMO licensing designation for a particular type of HMO, or for a particular area, the local authority must:

- Consider that a significant proportion of the HMOs in the area are being managed sufficiently ineffectively as to give rise, or likely to give rise, to problems either for those occupying the HMOs or for members of the public.
- Consider whether there are any other courses of action available to them that might provide an effective method of dealing with the problem or problems in question.
- Consider that the making of the designation will significantly assist them to deal with the problem or problems.

### Selective Licensing

Under Part III of the Housing Act 2004, local authorities can designate areas or the whole of the area within their district as subject to selective licensing in respect of privately rented properties, provided certain conditions are met.

Changes in legislation in April 2015 mean that local authorities are now required to obtain approval from the Secretary of State for any selective licensing scheme that would cover more than 20% of their geographical area or would affect more than 20% of private rented houses in the local authority area.

In order for selective licensing to be considered one or more of the following 6 statutory grounds have to be met:

#### The area:

- i. Is an area of low housing demand (or is likely to become such an area)
- ii. Suffers from or has a significant and persistent problem caused by anti-social behaviour not being adequately addressed by landlords of privately rented accommodation.
- iii. Is experiencing poor property conditions.
- iv. Is experiencing or has recently experienced an influx of migration.
- v. Is suffering high levels of deprivation.
- vi. Is suffering high levels of crime.

Criteria iii – vi can only be applied where the area contains a high proportion of private sector dwellings. The national average is currently 19%.

## **Conditions for both Additional and Selective Licensing**

**For both additional and selective licensing, there is also a requirement on the local authority to:**

- Take reasonable steps to consult persons who are likely to be affected by the designations and consider any representations made.
- Ensure that the exercise of the power is consistent with their overall housing Strategy.
- Adopt a coordinated approach in connection with dealing with homelessness, empty properties and anti-social behaviour affecting the private rented sector as regards combining licensing with other action taken by them or others.
- Consider whether there are any other courses of action available to them (of whatever nature) that might provide an effective method of achieving the objectives that the designation would be intended to achieve.
- Consider that the making of the designation will significantly assist them to achieve the objectives (whether or not they take any other course of action as well)

## **3. Sandwell's proposal – Selective and Additional Licensing**

Our main reason for introducing additional and selective licensing schemes is to improve the standard and safety of private rented housing and address anti-social behaviour. This will benefit private tenants, landlords and greatly improve the generally appearance of the borough. Our aim is that over the 5-year period the licensing schemes will offer the following outcomes:

- Improved housing conditions
- A reduction in significant persistent problems caused by anti-social behaviour, including modern day slavery and human trafficking.
- An increase in good landlords and an elimination of rogue landlords.

Based on the evidence outlined in this report, Sandwell is proposing to implement a 5-year licensing scheme as follows:

### **Additional Licensing scheme - Houses in multiple occupation – HMOs**

A scheme that will require all HMOs within the designated area in West Bromwich to be licensed. This will include the category of HMO which is often referred to as a section 257 HMO. Section 257 HMOs are where the building was converted into self-contained flats before the 1991 Building Regulations came into force on 1st June 1992 and have not been subsequently improved to at least the 1991 standards.

### **Selective licensing scheme – single dwelling properties**

A scheme that will require all other privately rented properties located within the designated area in West Bromwich to be licensed,

A map detailing the proposed area is shown below:



### Licensing fees

Financial modelling has been carried out to establish the operating cost of the scheme over a 5-year period. The fee for an additional licence will be £850 per property and the fee for selective licensing will be £650 per property. There are several discounts which can be applied to the licence fees to reduce the overall cost. These discounts are intended to recognise those landlords who take their responsibilities seriously.

The proposed schedule of fees, associated discounts and charges is set out below:

### Additional Licensing Fees Schedule

**Table 1**

Type of Property & Discount	Proposed Fee
All property types and sizes including each individual self-contained flat within a larger building operating as a HMO.	£850.00
Landlord Accreditation (MLAS)	Discount of £165.00 per initial licence application (where the accredited landlord is also to be the licence holder or the accredited agent is also to be the licence holder as the owner cannot be deemed to be fit and proper and able to hold the licence) where the landlord or agent acting as licence holder

	<p>is a current member of the Midland Landlords Accreditation Scheme at the time of application.</p> <p>This discount does not apply to applications where an accredited managing agent is being nominated as the manager only and not also as the licence holder.</p>
Membership of a nationally recognised professional landlord's association	Discount of £55.00 per initial licence application for membership of the National Landlords Association (NLA) or the Residential Landlords Association (RLA) at the time of application.
Multiple Applications	Discount of £55.00 for second and subsequent licence applications where more than one licence application are made by or on behalf of the same owner at the same time.
Rent Well in Sandwell discount	Discount of £55.00 for properties within the area that have achieved a star rating of 4 or more stars under the Rent Well in Sandwell scheme

**Table 2 – Variation Fees Schedule**

These fees are payable on application for a licence variation where a licence remains in force at the time of the application.

<b>Proposed License Variation</b>	<b>Proposed Fee</b>
Change of address details of the licence holder, manager or owner. <b>This fee shall be payable on request.</b>	£50 fee
Change of mortgagor, owner, freeholder or leaseholder, unless they are the existing licence holder. <b>This fee shall be payable on request.</b>	£50 fee
Reduction in the number of maximum occupiers and/or households. <b>This fee shall be payable on request.</b>	£50 fee
Variation of licence instigated by the council	No fee
Change of licence holder	New Application fee - to be worked out as per Table 1
Change of manager, provided they are not also the licence holder. <b>This fee shall be payable on request.</b>	£50 fee

Increase in the number of maximum occupiers and/or households for licensing purposes – by increasing the number of habitable room, increasing of room sizes or by the provision of additional amenities. <b>This fee shall be payable on request.</b>	£50 fee
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### **Table 3 – Other Fees Schedule**

These fees are payable as appropriate.

<b>Circumstances</b>	<b>Proposed Fee</b>
Continued incomplete application / evidence requirements following two reminders. This fee shall be payable on request.	£100 fee
Issuing of a Temporary Exemption Notice	No fee
Application received following the expiry of a Temporary Exemption Notice (TEN) made by the Council	New application fee - to be worked out as per Table 1
Revocation of licence	No fee
Application to licence following revocation of licence	New application fee - to be worked out as per Table 1
Licence application processed and refused by the Council	Refund of compliance inspection and license process £540.00
On review of an application it is decided that the property does not need a license at the time of application (for example, it falls under one of the exemptions) or a duplicate application is made	Full refund
Licence issued but property ceases to require a licence during the five-year life of a licence	No refund.

## Selective Licensing Fees Schedule

**Table 1**

<b>Type of Property &amp; Discount</b>	<b>Proposed Fee</b>
All property types and sizes including each individual flat within a larger building.	£650.00
Landlord Accreditation (MLAS)	Discount of £165.00 per initial licence application (where the accredited landlord is also to be the licence holder or the accredited agent is also to be the licence holder as the owner cannot be deemed to be fit and proper and able to hold the licence) where the landlord or agent acting as licence holder is a current member of the Midland Landlords Accreditation Scheme at the time of application.  This discount does not apply to applications where an accredited managing agent is being nominated as the manager only and not also as the licence holder.
Membership of a nationally recognised professional landlord's association	Discount of £55.00 per initial licence application for membership of the National Landlords Association (NLA) or the Residential Landlords Association (RLA) at the time of application.
Multiple Applications	Discount of £55.00 for second and subsequent licence applications where more than one licence application are made by or on behalf of the same owner at the same time.
Rent Well in Sandwell discount	Discount of £55.00 for properties within the area that have achieved a star rating of 4 or more stars under the Rent Well in Sandwell scheme

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Change of address details of the licence holder, manager or owner.  <b>This fee shall be payable on request.</b>	£50 fee

Change of mortgagor, owner, freeholder or leaseholder, unless they are the existing licence holder <b>This fee shall be payable on request.</b>	£50 fee
Reduction in the number of maximum occupiers and/or households <b>This fee shall be payable on request.</b>	£50 fee
Variation of licence instigated by the council	No fee
Change of licence holder	New Application fee - to be worked out as per Table 1
Change of manager, provided they are not also the licence holder <b>This fee shall be payable on request.</b>	£50 fee
Increase in the number of maximum occupiers and/or households for licensing purposes – by increasing the number of habitable room, increasing of room sizes or by the provision of additional amenities. <b>This fee shall be payable on request.</b>	£50 fee

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Issuing of a Temporary Exemption Notice	No fee
Application received following the expiry of a Temporary Exemption Notice (TEN) made by the Council	New application fee - to be worked out as per Table 1
Revocation of licence	No fee
Application to licence following revocation of licence	New application fee - to be worked out as per Table 1

Licence application processed and refused by the Council	Refund of compliance inspection and license process £395.00
On review of an application it is decided that the property does not need a license at the time of application (for example, it falls under one of the exemptions) or a duplicate application is made.	Full refund
Application made where application is required under the mandatory / additional HMO licensing scheme instead	Application fee to be refunded and a new application and appropriate fee under mandatory / additional HMO licensing scheme
Licence issued but property ceases to require a licence during the five-year life of a licence	No refund.

### **Licence Conditions**

The Housing Act 2004 requires that every licence must include certain mandatory management conditions. Councils also have the power to include other discretionary conditions which they consider appropriately for tackling the problems associated with private sector dwellings.

Please see proposed schedule of conditions for Additional and Selective licensing schemes via the council website link: [www.sandwell.gov.uk/salconsultation](http://www.sandwell.gov.uk/salconsultation)

### **Penalties for non-compliance**

It is a criminal offence to let out a property in a designated licensing area without a license, or for failure to comply with any condition of the licence. Failure to apply for or obtain a licence could lead to prosecution and an unlimited fine or, as an alternative to prosecution, the issue of a fixed penalty notice with a financial penalty of up to £30,000.

### **The level of any financial penalty issued will be based on factors including:**

- Severity of the offence,
- Culpability and track record of the offender,
- Harm caused, or the potential for harm to be caused, to the tenant(s),
- An appropriate and proportionate punishment of the offender,
- A suitable deterrent to committing the offence,
- Removal of any financial benefit the offender may have obtained as a result of committing the offence.

In addition, the council or the tenants of the property could apply to the First Tier Tribunal (Property Chamber) for a Rent Repayment Order, requiring the landlord to

repay an amount equivalent to up to twelve months of any rent received in respect of a property.

If a license applicant or property manager has been convicted of a specified criminal offence or issued with a financial penalty, s/he may be considered as not '*fit and proper*' to hold a licence and may be refused a licence. Similarly, in such cases, an existing licensee may have their licence revoked. In cases where the person applying for the licence is not considered fit and proper and the property is to continue to be rented, an alternative, unrelated person will have to apply to be the licence holder. If a suitable licence holder cannot be found then the council may have to take over management of the property itself by, for example, making an interim management order under Part 4 of the Housing Act 2004.

#### **4. Why is the Council considering pilot additional and selective licensing schemes?**

We know that there has been a dramatic increase in the number of private rented properties within Sandwell. We estimate that we have approximately 35,500 private sector dwellings. Much of the sector provides decent accommodation and is reasonably well managed and plays an important key role in the provision of accommodation to meet homelessness. However, there are problems associated with parts of the sector arising from poor management and property conditions and related problems of anti-social behaviour. Poor property conditions are particularly prevalent within HMOs. We know that increasingly more and more smaller houses are being poorly converted into shared accommodation, these properties are problematic and currently fall outside of the Mandatory Licensing scheme.

The rise in the private rented sector within Sandwell is mirrored nationally with the majority of all boroughs reporting an increase in private sector accommodation. The change in tenure is also accompanied by the change in the type of private sector landlords. The proportion of part time landlords – those who supplement their day job with rental income has reached its highest level. The National Landlords Association (NLA) estimate that part time landlords now make up more than 70% of the sector – the sector no longer consists of experienced landlords who are aware of and fully understand their obligations to their tenants.

An increasing number of our residents, many of whom are vulnerable, either live in private rented property or live adjacent to it. Failure to effectively manage private sector housing can adversely affect the health and safety of tenants and can have a wider impact on the local community. In addition to poor management, a number of landlords positively exploit their tenants and often the public purse through housing benefit, by renting substandard and dangerous accommodation.

The private sector traditionally offered an alternative to social housing or home ownership. For many the private sector was seen as a short term need while they

waited for an offer of council owned accommodation or were in a financially stronger position to take their first steps onto the property ladder. The increase in house prices, reduction in social housing and reduced access to mortgage funding means that this is no longer the case. Increasingly, private sector accommodation now provides a longer term or “life” home for many residents.

The continued growth in the population of Sandwell, the lack of alternative housing solutions for many, means that the private rented sector will continue to play a significant role in providing accommodation. More than ever, the sector needs to be properly managed and supported to fulfil its important role.

Licensing imposes a set of standards/conditions, makes it easier for officers to gain access into a property and can allow the tenant to make a complaint without being identified. A licensing scheme can also play a much-needed role in supporting landlords.

Also, the introduction of Selective and Additional licensing will enable a significant change in the way that ASB and poor management associated with the private sector is tackled. Through licensing we will know who is responsible for the management of properties that are rented out and who in the first instance is responsible for dealing with problems associated with the dwelling. It also introduces an added protection for private sector tenants. Licensing has the potential to make significant improvements to housing standards and the local environment.

We believe that Licensing offers the following benefits:

#### **The benefits for a private landlord**

- Good landlords will be rewarded for their responsible letting practices by paying a reduced fee for the license.
- Creation of a level trading environment for private sector landlords.
- Their reputation will be enhanced by holding a licence, while those bad landlords who have given private renting a poor status, will either be made to bring their properties up to the standard of the others or risk losing the right to let their properties.
- Landlords can promote their licensed status and find it easier to attract tenants who know that a licensed property is well managed and safe; a better environment will make properties easier to let and sustain tenancies.
- Better management and tenancy agreements will enable the landlord to have better control over the property and will be supported in dealing with tenants who commit anti-social behaviour.
- Advice and guidance will be available on all aspects of private renting especially those landlords who are inexperienced from a dedicated licensing team of officers.

### **The benefits for private tenants**

- Enhanced protection for vulnerable tenants living in HMO accommodation, by ensuring, for example, that the accommodation has adequate amenities, space standards and fire safety.
- Protection from possible retaliatory eviction as licensing enables the proactive checking of properties and management practices, rather than relying on the tenant to report poor conditions.
- The standards imposed will ensure that the landlord is not permitted to have more tenants than recommended for the size of the property and the facilities provided so tenants can be assured that they are not living in cramped overcrowded accommodation.
- Advice and guidance will be available to tenants so that they can understand their rights to a decent home.
- Added protection for tenants as a result of better landlord management practices and greater protection from unlawful eviction.

### **The benefits for the community**

- There is no cost to the tax payer as the scheme is self-funding.
- Reduce the number of overcrowded properties that can lead to anti-social behaviour especially relating to noise and rubbish.
- The register of landlords / managing agents will be made public and can be accessed by neighbours who wish to report anti-social behaviour and by the Police when they are dealing with these individuals.

## **5. Alternative options considered**

Before introducing an additional licensing and/or selective licensing scheme we are obliged to consider whether there are other courses of action we can take to effectively deal with the problem. We have considered the following:

### **Mandatory HMO Licensing only**

Through our mandatory HMO licensing scheme, we will continue to identify properties that require licensing – it will run alongside the proposed additional licensing and selective licensing schemes. However, mandatory HMO Licensing will only apply to those HMOs occupied by five or more people forming two or more households. This type of HMO makes up only a small percentage of the overall HMO stock within the borough. It will not tackle the problems associated with other types of HMO accommodation, many of which are in poor condition.

### **Designate an Additional Licensing scheme only**

We could designate just an additional licensing scheme to deal with the smaller HMOs across the area. However, this would exclude non-HMO private sector dwellings which we have identified as causing a problem. Through our evidence gathering, we have identified areas where the number of private sector dwellings is

high – equal to or above 26% of the overall housing stock - and have above average problems such as ASB and fly tipping.

### **Do nothing and continue with existing legal powers**

Existing powers available to the council are largely reactive with officers responding to tenants' complaints. Many tenants do not know where to complain or are reluctant to complain through fear of retaliatory eviction. Although current enforcement activity has been successful in remedying problems in individual dwellings, it is not felt to have raised the standard of private sector dwellings generally. Responding to complaints often involves coordinated investigation and enforcement by numerous departments, using various pieces of legislation, before a final resolution is obtained.

### **Voluntary Accreditation**

Although the voluntary accreditation scheme is helpful in driving up standards, it relies on the willingness of landlords to sign up to it. It is likely therefore that conscientious landlords will continue to support the scheme, but that rogue landlords will remain difficult to identify and will avoid joining the scheme, preferring instead to operate with the minimum regulation “under the radar”.

We believe that the combination of targeted additional and selective licensing schemes will achieve the maximum benefit and best outcomes for the private tenants within the designated area.

## **6. Sandwell – Demographics and the Housing Stock**

### **Sandwell's People**

Sandwell is an exceptionally diverse and fast-changing borough. The latest population estimate for Sandwell is 327,378, this is the 2018 mid-year estimate produced by the Office for National Statistics.

When Sandwell Metropolitan Borough Council was formed in 1974, the area was experiencing a steady decline in population numbers, which reached a low in 2001. Over the seventeen-year period between 2001 and 2018 there has been an estimated increase of 42,784 in Sandwell's population, an increase of 15%.

In 2011 Sandwell had overall 34.2% of residents from Minority Ethnic groups (that is, all ethnic groups other than White British). West Bromwich town has 40.9% of its population from Minority Ethnic groups which is ranked second highest in the borough.

69% of migrant National Insurance number registrations for the area are from Poland, Romania, Italy and India.

The latest Indices of Multiple Deprivation (IMD) 2019 indicates Sandwell's average deprivation score has declined slightly since 2015, falling one place to become the 12th most deprived local authority out of a total of 317 (where 1 is the most deprived.)

The Office for National Statistics produce population projections every two years at Local Authority level geography. These are projections based on recent trends, are not forecasts and do not attempt to predict changes to policy or the economic environment.

The latest 2016 based population projections show an increase of 30,300 people from 322,600 in 2016 to 352,900 in 2030. Sandwell has the highest percentage increase in projected population over the 2016-2030 period for the Black Country Boroughs and is higher than the percentage increase for England and Wales (7.5%) over this period.

Population growth locally is due to higher annual births than annual deaths, and net migration gain driven by high annual international migration. Sandwell has a proud history of new migrant communities living within its area, this has resulted in a vibrant and diverse borough.

### Overview of housing in Sandwell

The type of housing tenure in the borough has changed significantly in the period between the 2001 and the 2011 Census. The table below confirms that the number of private rented properties has increased in the borough by 9.2% during the 10-year period.

Whilst the 2011 Census data shows Sandwell as having 18,223 private rented properties, it has been identified the private rented sector in Sandwell makes up an estimated 26% (34,386) of all housing accommodation in the borough with some wards in Sandwell in excess of 35%. This is significantly higher than the national average of 20%.

#### Housing Overview - 2011 Census

	Sandwell		Black Country	West Midlands Conurbation	England and Wales	Sandwell Change 2001-2011
	No.	%	%	%	%	No.
<b>Housing</b>						
Number of Household Spaces (including vacant hh spaces)	127,196					+7,641
Average Household Size	2.5					+0.07
Vacant Household Spaces	5,698	4.5%	3.6%	3.4%	4.4%	+1,569
Without Central Heating	4,176	3.4%	3.3%	3.5%	2.7%	-16,671
Detached Properties	14,273	11.2%	16.7%	14.7%	22.6%	+1,861
Terraced Properties	33,357	26.2%	20.6%	26.2%	24.7%	+1,205
<b>Tenure</b>						
Owner Occupied	69,135	56.9%	61.5%	60.0%	63.6%	+315
Shared Ownership	701	0.6%	0.5%	0.7%	0.8%	-134
Rented from Council Local Authority	27,587	22.7%	18.0%	15.1%	9.4%	-3,068
Rented from Other Social Landlord	5,852	4.8%	6.7%	7.8%	8.2%	+1,521
Rented from Private Landlord or Letting Agency	14,583	12.0%	10.7%	13.8%	15.3%	+9,238
Rented Other	3,640	3.0%	2.6%	2.7%	2.8%	-1,800
<b>Household Composition</b>						
One Person Households	35,935	29.6%	29.5%	30.6%	30.2%	+869
Married Couple Households (includes same sex civil partnerships in 2011 but not 2001)	38,079	31.3%	32.5%	30.9%	33.2%	-2,154
Cohabiting Couple Households	11,738	9.7%	9.8%	8.8%	9.8%	+3,149
Lone Parent Households with Dependent Children	10,915	9.0%	8.2%	9.0%	7.2%	+1,645
Lone Parent Households with Non-dependent Children	5,502	4.5%	4.3%	4.3%	3.5%	+758
All Other Households	19,329	15.9%	15.8%	16.3%	16.1%	+1,805
Total Households	121,498					+6,072

Source: One

### **House prices and affordability**

On average, residents in Sandwell could expect to pay an estimated 6.35 times their gross annual earnings on purchasing a home in Sandwell 2018. Since 2011, there has been slight decrease in affordability. Sandwell housing is more affordable to its residents based on gross earnings than overall in the West Midlands region and England. The average house price in the West Bromwich area is £166,816

### **The private sector**

The private sector in Sandwell is growing; It is estimated a quarter of our residents already rent privately. Lettings of private rented homes in Sandwell now outnumber lettings becoming available through the council or housing associations.

Nationally the private rented sector makes up 19% of the total housing stock in England. In Sandwell the borough average is 26% with 15 of the 24 wards scoring above the national average. West Bromwich Central is one of 3 wards within Sandwell that is now made up of over 35% private sector dwellings.

There is a growing demand for low cost private rented accommodation. This is partly fuelled by the Government's welfare reforms and the rise in migrant workers coming to Sandwell. This demand has created a housing market that is very lucrative for rogue landlords.

Restrictions on the amount of Housing Benefit that can be claimed by single people under the age of 35 has increased the demand for shared HMO type housing. The increase in the number of people renting privately has increased the demand for advice and assistance.

### **Conclusion**

It is clear that access to social and affordable housing will remain scarce. The ability for our residents to buy their own home has decreased over the years.

The continued growth in the population of Sandwell, the lack of alternative housing solutions means that the private rented sector will continue to play a significant role in providing accommodation. We know that many of our households are on low income – levels of deprivation in Sandwell are high. We also know that overseas migrants tend to strongly rely on the private sector market due to the need for flexibility and uncertainty of future legislation, a report by the Joseph Rowntree Foundation estimated that nationally 75% of migrants use private sector accommodation.

Low cost shared accommodation offers a good solution to those who are unable to rent larger properties or who live alone. But the property needs to be of a reasonable condition and offer a safe environment. The level of case work picked up by the Housing Quality Team suggests that many landlords either lack the necessary experience and expertise needed to manage properties or wilfully neglect their responsibilities. The demand for private sector accommodation is such, that even properties in the poorest of conditions can be readily let – demand heavily outstrips supply. More than ever, the sector needs to be properly managed and supported to fulfil its important role.

## 7. Links to other strategies

Our Vision for 2030 is that, Sandwell is a thriving, optimistic and resilient community. The proposed introduction of additional and selective licensing positively contributes to the following Council Vision 2030 ambitions;

**Ambition 2** - Sandwell is a place where we live healthy lives and live them for longer and where those of us who are vulnerable feel respected and cared for. – Improved quality of accommodation actively contributes to improved health outcomes. Selective and additional licensing in the specific area will reduce the impact that poor quality housing has on vulnerable individuals.

**Ambition 5** - Our communities are built on mutual respect and taking care of each other, supported by all the agencies that ensure we feel safe and protected in our homes and local neighbourhoods – Selective and additional licensing will look to reduce levels of anti-social behaviour.

**Ambition 7** - We now have many new homes to meet a full range of housing needs in attractive neighbourhoods and close to key transport routes. – The introduction of selective and additional licensing will improve the condition of the private rented properties in the specific areas meaning the area is a more attractive place to live.

### **West Bromwich Regeneration**

In recent years West Bromwich town centre has undergone one of the largest regeneration programmes taking place anywhere in the West Midlands region. Hundreds of millions of pounds has been invested from the private and public sector in a number of schemes that will provide the residents of and visitors to West Bromwich and Sandwell with the state of the art services and excellent opportunities they deserve.

Despite the difficult economic environment, Sandwell Council has remained committed to the regeneration of West Bromwich town centre. Between 2011 and 2014 West Bromwich has seen the opening of a new Central College Campus, the completion of the first office building at the new Providence Place development, a revamped High Street and metro station, the New Square retail and leisure complex, a revitalised Dartmouth Park, and a new leisure pool and fitness centre.

The physical and economic regeneration of West Bromwich is now visibly taking shape, but there is more to come. Such projects will inevitably result in some disruptions for residents, visitors and workers in West Bromwich, however every effort is being made to ensure these are kept to a minimum.

### **The West Bromwich regeneration programme will see;**

- A wider retail offer
- New leisure facilities
- Quality housing
- Further education opportunities
- Improved green spaces
- Job opportunities

- Investment opportunities from outside Sandwell
- Better transport and pedestrian links
- A safer place to live

### **Work already undertaken includes:**

#### **Providence Place Office Development**

The Providence Place office development, supports both the physical and economic regeneration of West Bromwich by providing the town centre with state of the art office facilities. The development is located on a key gateway into West Bromwich and is the first new office development of its kind in the town since the 1970s. West Bromwich Building Society announced that it would be relocating its headquarters to a new building on Providence Place in November 2012. Additional office buildings have been built as part of the Providence Place development which has added to the revitalisation of the town.

#### **Urban 180 residential scheme**

Located between Bull Street, High Street and Overend Street in the town centre, Urban 180 is a mixed-use development which will provide West Bromwich town centre with high quality affordable homes. The £20 million project is a partnership between Sandwell Council, Accord Group and the Homes and Communities Agency which is transforming the site into a thriving and attractive modern residential and community enterprise space. Phase 1 of the project completed is now complete and provides 29 new private and affordable homes. Phase 2 also provided a further 40 new homes and apartments, and from April 2015 the third and final phase commenced providing 2 three-bedroom homes and 25 apartments.

#### **The Lyng residential scheme**

The Lyng housing development is providing West Bromwich with affordable, high quality and sustainable housing. The scheme will deliver a total of 450 new homes to meet local demand. The Lyng estate sits next to West Bromwich town centre, a short walk from shops and public transport links. The development, which the council is delivering in partnership with Barratt Homes and the Lyng Community Association, will significantly improve housing in West Bromwich and help improve the quality of life for current and future residents. Phase 1 provided 86 homes for the Lyng Community Association with second and current phase including 14 affordable and 250 private sale homes.

#### **University Technical College**

The demolition and clearance of the former Sandwell College campus on the High Street and its relocation to the new Central Campus on Spon Lane created a development opportunity for a new purpose built educational facility. The three and four storey buildings include teaching and support space; recreation facilities, specialist science laboratories and studios; simulation and skills suits, a mock hospital ward; a fitness gym and a multi-use games area at roof level. Some of these facilities

are accessible to members of the local community as part of supporting the health focus of the UTC.

### **YMCA**

The YMCA with funding from the Homes and Communities Agency has invested in a multi-million-pound development at the western gateway entrance to West Bromwich town centre. The scheme in Carters Green refurbished the existing building and provide a mixture of housing and community services that promote health, skills and enterprise. The completion of a nursery and youth centre in September 2011, permission was granted in March 2013 for a new gym, cafe, housing and offices which are now completed. Sandwell Council has supported the scheme throughout the design and funding application process.

### **Sandwell Intervention Areas**

Sandwell is home to over 325,000 people and around 9,000 businesses who collectively employ over 140,000 people. It is in an excellent strategic location with access to the national motorway network with five junctions feeding into the M5 and M6. This provides access to the South-west, South-east and North-west regions. It has excellent public transport provision via railway, including a mainline railway station, Midland Metro line serving Wolverhampton and Birmingham with an extension planned from Wednesbury to Brierley Hill. The area is also well served by a bus network within the area as well as serving neighbouring boroughs. An extensive canal network provides further sustainable transport modes for walking and cycling as well as providing leisure and recreation opportunities and linking jobs, houses and people.

Sandwell has strengths in the manufacturing sector with 48% of companies within the borough involved in Base Metals, Advanced Manufacturing, Metals and Fabricated Metals. There is a strong supply chain with the automotive trade including Rolls Royce, Jaguar Land Rover, Mercedes Benz and Aston Martin. The borough also has strengths in the Wholesale and Retail and Construction sectors. Its proximity to three other Black Country Boroughs and Birmingham City makes this an ideal location in which to live, work, visit and invest.

However, Sandwell is experiencing a steady increase in population year on year with many people wishing to locate here given the job opportunities available. Sandwell is well connected and centrally located having a growing international recognition and a thriving dynamic economy. The dependency on good, quality and affordable housing requires action to enable development to be forthcoming to meet the needs and demands of current and future residents.

Therefore, all efforts are being channelled to the delivery of housing in three major areas; West Bromwich Town Centre, Friar Park and the Grove Lane part of Greater Icknield and Smethwick. These three areas are the focus of potential partnership working between Sandwell Council, West Midlands Combined Authority, Black Country Local Enterprise Partnership and developers in bringing to fruition a transformational change with new family housing and improved environments alongside its high-quality transport connections and accessibility to work.

Sandwell experiences high level of rental activity in many forms. The private rented sector is used for Supported Housing for vulnerable people which is paid for by Special Exempted Housing Benefit. Unfortunately, this scheme is often open to abuse, leaving vulnerable people unsupported, in poor quality HMOs often without the landlords realising this is happening.

Landlords are also often misled by tenants, not realising that their tenants have engaged in 'Rent to Rent' (subletting) or taking in friends who are homeless, thereby creating unregulated HMOs without the landlords' knowledge, permission or required amenities. Through its proactive work the council is aware of these issues along with modern slavery, which our evidence shows is prevalent in the private rented sector.

### **Our Housing Strategy Statement 2102 – 2022**

This was reviewed in 2017 and includes a number of significant points regarding the private rented sector:

#### **The three key objectives for housing in the borough are:**

- Making the best use of the existing housing stock
- Increasing the supply of new homes
- Protecting and promoting the health, safety and wellbeing of our residents

The first and third of these objectives are particularly relevant to the improvement of the private sector and go hand in hand with Licensing. Interventions such as licensing can bring about an uplift in the quality of the sector through eliminating poor management practices and property conditions that can adversely affect a neighbourhood. It offers private sector tenants added protection and supports a thriving, much needed, private rented sector through working with landlords to address concerns, raising awareness of good practice and driving out rogue landlords.

Licensing will complement our regeneration plans by ensuring that more people have access to decent accommodation. Failing standards identified through compliance checks will be addressed through guidance and enforcement of the housing conditions. In addition it will also identify landlords who choose to operate unlawful HMO's in breach of housing, planning and building control regulations.

Landlords will benefit from the Council's regeneration plans – the sector will continue to grow and thrive in a borough where people will choose to live. Under licensing landlords will have to take the same responsibility for their properties as they would for any other business - landlords will have to either improve their practice or leave the market. Improved landlord practices should reduce the number of evictions and unplanned moves. Populations should be less transient and improvements for the borough should become more sustainable, benefiting the better landlords, tenants and Sandwell as a whole.

The Police, council and other enforcement agencies work closely together to tackle modern slavery, anti-social behaviour, sharing information and using the powers and lever of the various agencies to effect a change in behaviour and reduce the impact of crime and ASB. We know through our evidence gathering that there is a significant and persistent problem with Modern Slavery directly linked to private sector properties. Licensing will support existing initiatives by also requiring landlords to act against their tenants, by ensuring that household waste is correctly disposed of and that front gardens are maintained and free from rubbish.

Licensing will give the Council additional powers to deal with housing related crime. The existence of a landlord register will make it easier for the both the Police and the Council to trace the owner of the property.

## 8. Methodology

In order to meet the requirements of the Housing Act 2004 for introducing additional and selective licencing (as outlined in section 2 of this report) The government has set out clear guidance to structure council decisions to introduce selective/additional licensing through the provision of updated legislation in April 2015 (via an Amended General Approval). This guidance states that before any council can consider making a selective/additional licensing designation it must ensure that the area in question has a high number of private rented properties occupied under assured tenancies or licences and that it meets one (or more) of the following criteria;

1. **Low Housing Demand** - It is, or is likely to become, an area of low housing demand; or
2. **Anti-Social Behaviour** - It has a significant and persistent problem with anti-social behaviour where the inaction of private landlords is a contributory factor; or
3. **Housing Conditions** - Following a review of housing conditions, it is believed that the area is suffering from significant housing condition problems and the council intends to inspect the dwellings concerned; or
4. **Migration** - It has experienced a recent influx in migration, and where the migrants are primarily occupying privately rented accommodation; or
5. **Deprivation** - It suffers from a high level of deprivation which particularly affects the occupiers of privately rented accommodation; or
6. **Crime** - It suffers from a high level of crime that affects residents and businesses in the area.

To inform the Council's consideration of the potential introduction of selective/additional licensing, the Building Research Establishment (BRE) were commissioned in early 2018 to undertake a series of modelling exercises on Sandwell's housing stock. These modelling exercises utilised sophisticated tools that incorporated local and national data to evaluate the make-up of local households.

When the above is considered in relation to Sandwell the borough has levels of crime and ASB that would meet the prevalence criteria above however current data does not allow this to be attributed to private rented accommodation. The areas below however are appropriate for the consideration of selective/additional licensing in relation to prevalence and link to private rented accommodation;

- Housing Conditions
- Migration
- Deprivation

The modelling particularly focussed on private sector stock which is made up of owner occupied and private rented dwellings. The remainder of the housing stock consists of social housing. The total number of dwellings in Sandwell from the integrated housing stock condition database is based on LLPG data; therefore, the model is based on this value. The tenure split within the integrated database is derived from the purchased Experian tenure variable for addresses where tenure has not been supplied by the council, since it is possible for private rented dwellings to become owner occupied and vice versa relatively easily.

it is difficult to accurately predict the actual tenure split at any given point in time. A validation process was undertaken to compare the tenure split from the database to the 2011 Census figures. The results of the validation exercise show the differences between the tenure split from the database compared to the Census figures. There has been a noticeable increase in the size of the stock, mainly comprised of increases in the size of the private rented and social tenures, whilst the owner-occupied stock has decreased.

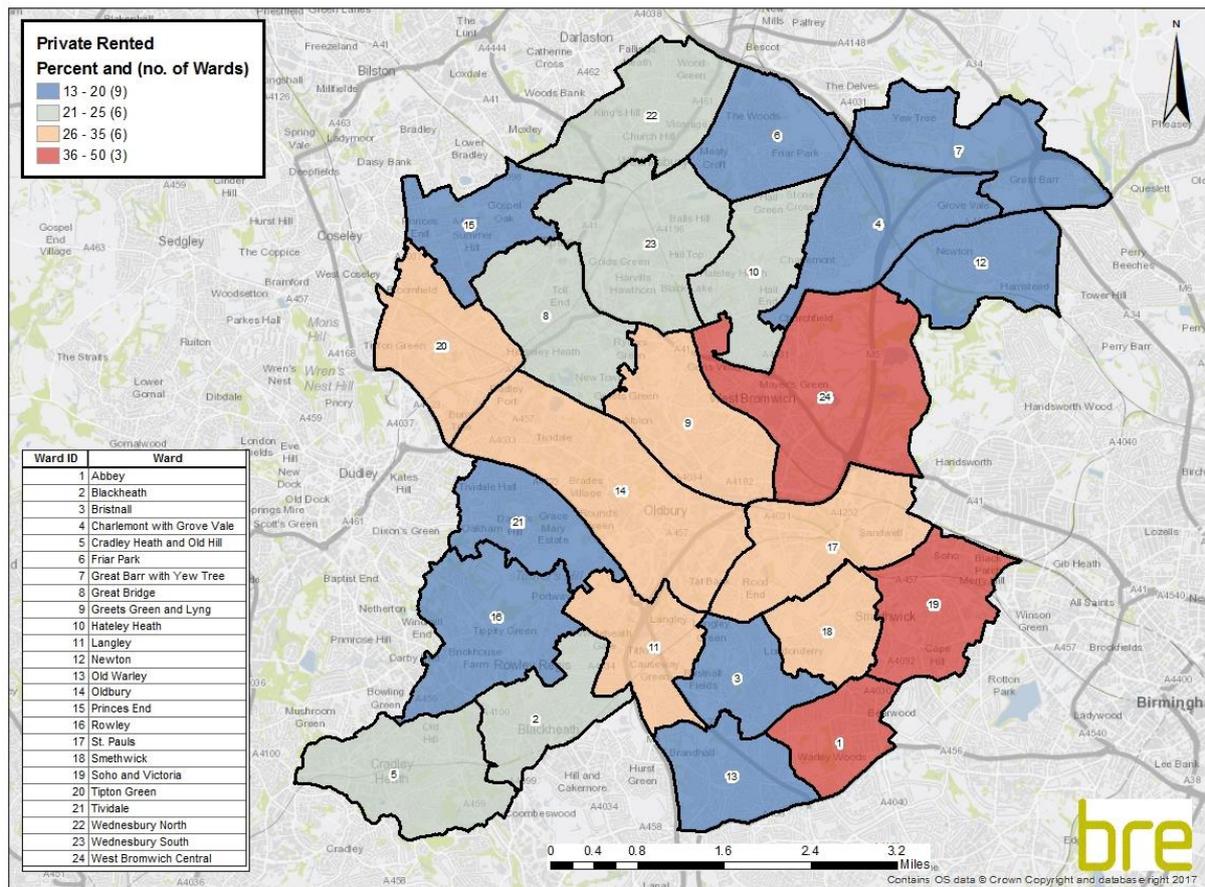
Whilst the 2011 Census data shows Sandwell as having 18,223 private rented sector (PRS) properties, it is now estimated the private rented sector in Sandwell makes up 26% (34,386) of all housing accommodation in the borough with some wards in Sandwell in excess of 35%. This is significantly higher than the national average of 20%.

Areas within Sandwell were identified with considerably higher levels of private rented stock, compared to the national average. The percentage of private rented stock for Sandwell is 26%. The map shows the distribution of the wards with over 20% of dwellings in the private rented sector.

Nationally, the census has shown an increase in private rented accommodation, a fall in owner occupation and a shift in the social rented sector from councils to other registered social landlords since 2001. Compared with Sandwell as a whole, West Bromwich town has a slightly higher level of owner occupation, a slightly lower proportion of households in social rented and a similar proportion in private rented accommodation.

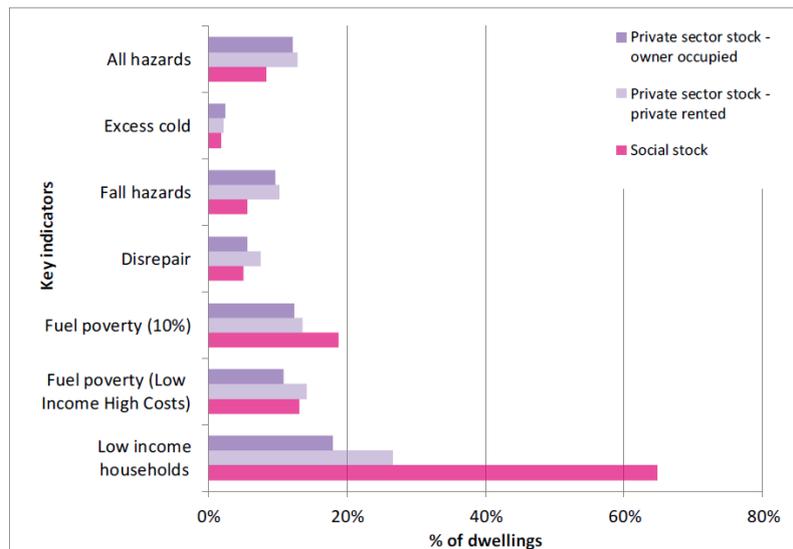
Owner occupation has fallen since 2001, and there has been a slight shift in the social rented sector from the council to other social landlords but the main change has been an increase in private rented accommodation. Renting from a private landlord or letting agency has increased from 4.1% to 11.5% over the decade.

Newton has the highest and Great Barr with Yew Tree has the second highest level of owner occupation of all Sandwell wards. Greets Green & Lyng, Hateley Heath and West Bromwich Central all have high levels of social rented housing. Private rented accommodation is most prevalent in West Bromwich Central ward.



## Housing Conditions

The (BRE) estimate through their Housing Stock Condition model database that the private rented stock in Sandwell has higher levels of disrepair and fuel poverty (based on the ability of households to meet fuel costs) when compared to social housing and owner-occupied properties as detailed in the chart below.

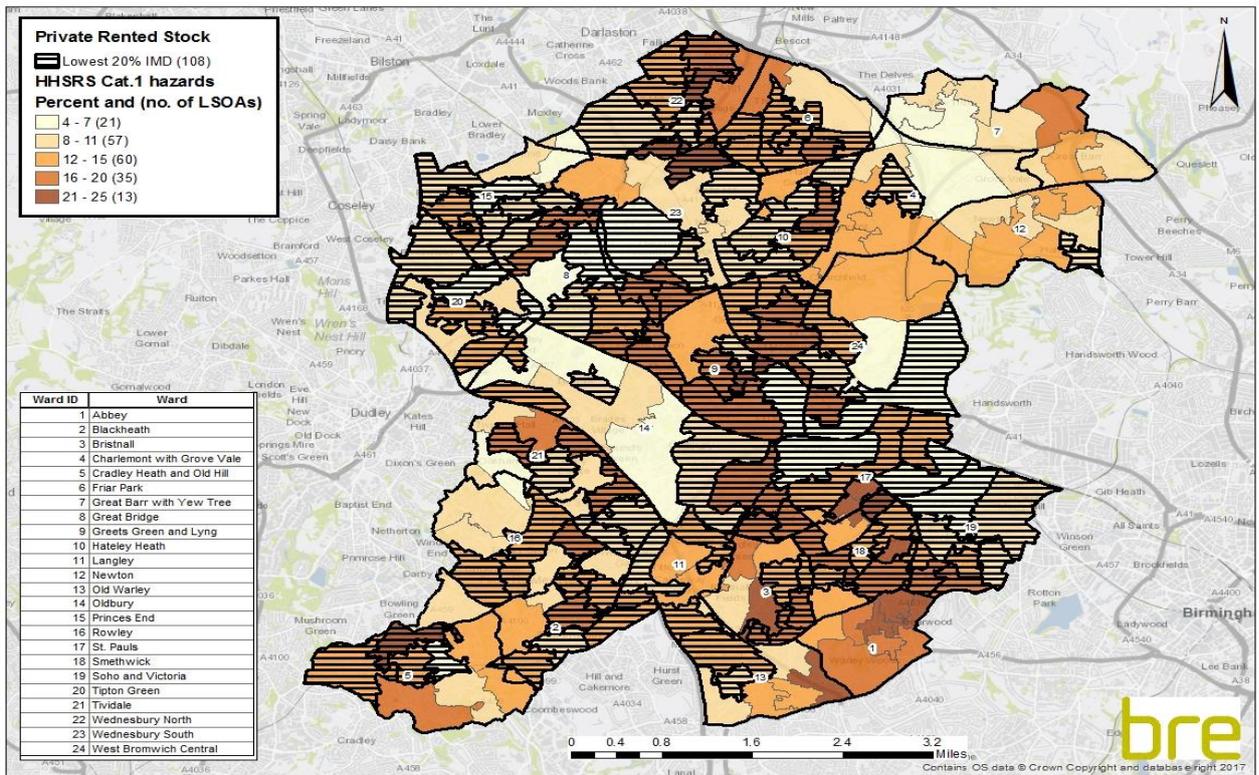
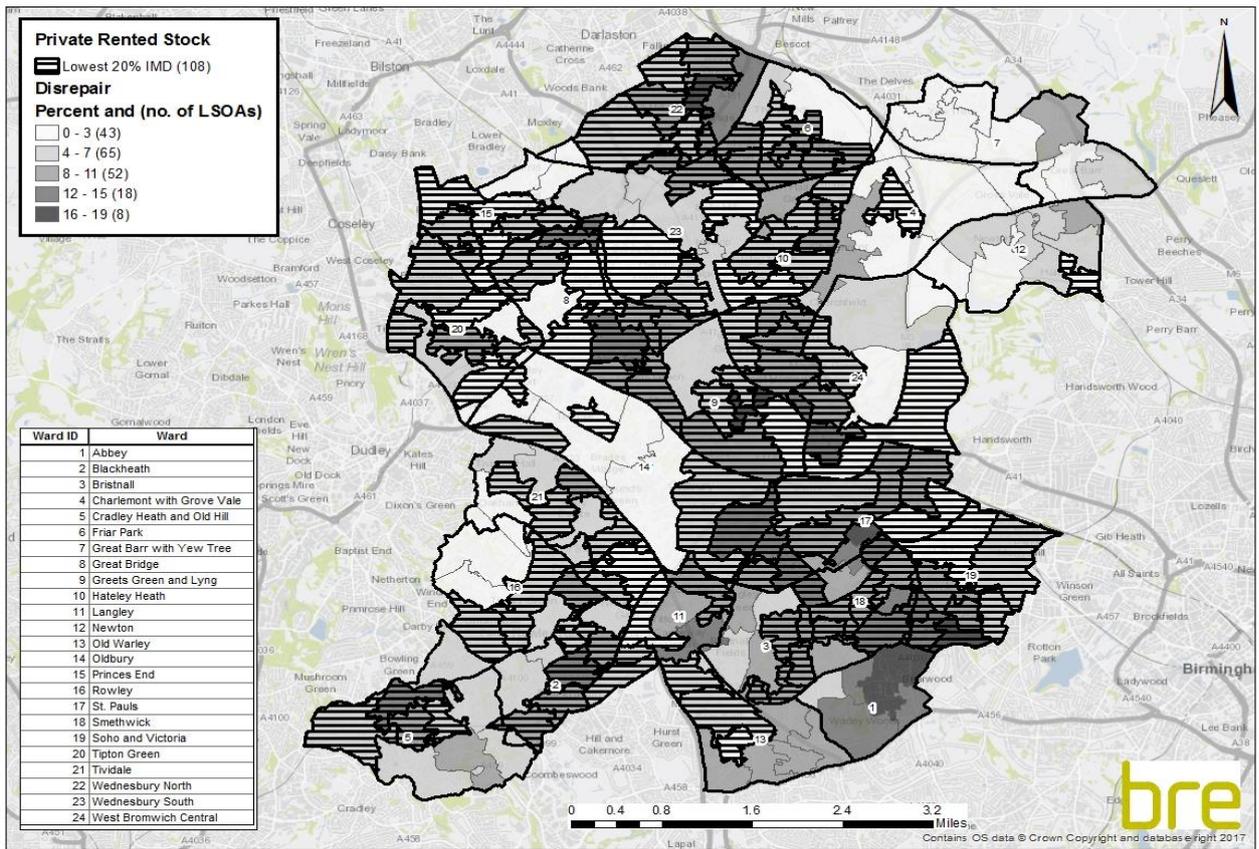


This analysis is further evidenced through the inspection and enforcement activity of the Council’s Housing Quality Team. The team provide advice, assistance, support and signposting services as well as direct intervention for private tenants, landlords and owners of empty properties. Many of these customers are vulnerable or economically inactive and often require some form of assistance to either maintain or remain in their homes.

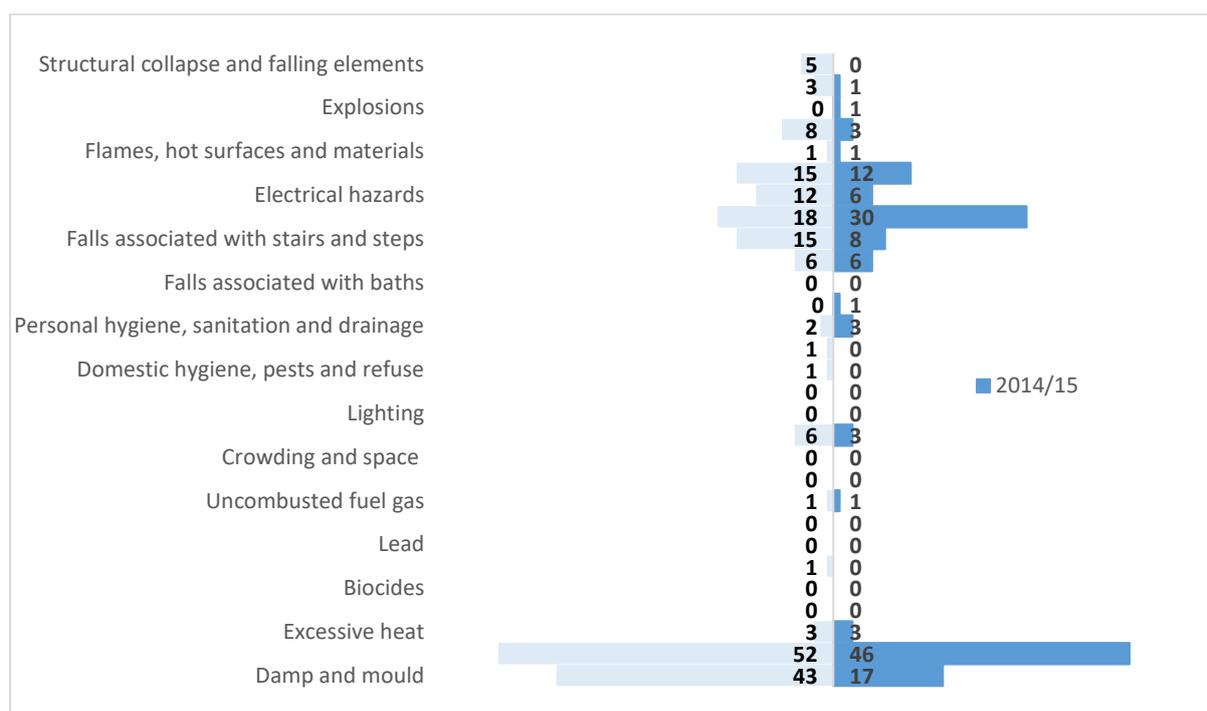
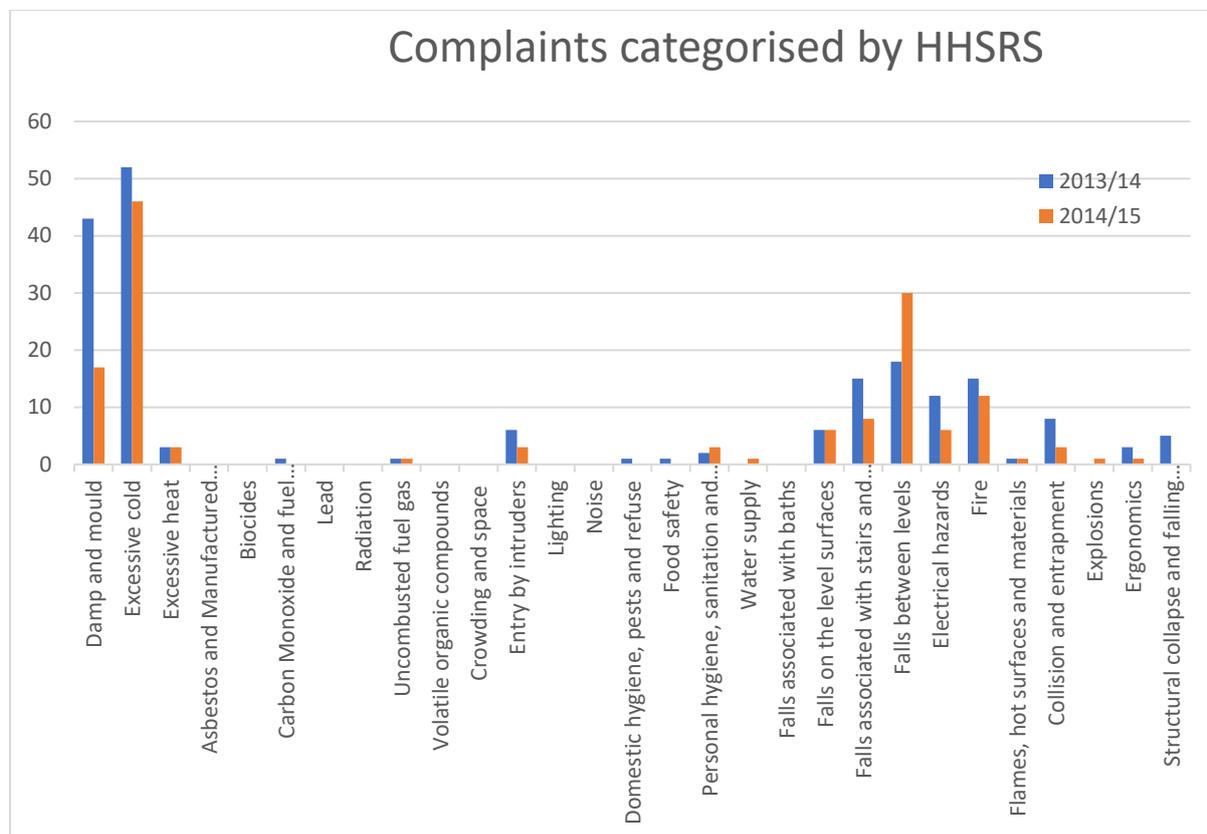
The table below shows the level of complaints / requests for assistance received by the Housing Quality Team (HQT) into private rented housing. The table also depicts that whilst enforcement action has been undertaken it has not considerably reduced the level of complaints, thus suggesting a need to move to the more proactive approach associated with selective/additional licensing

Year	Number of complaints / request for assistance received by HQT Triage system
2014	886
2015	810
2016	845
2017	887
2018	830

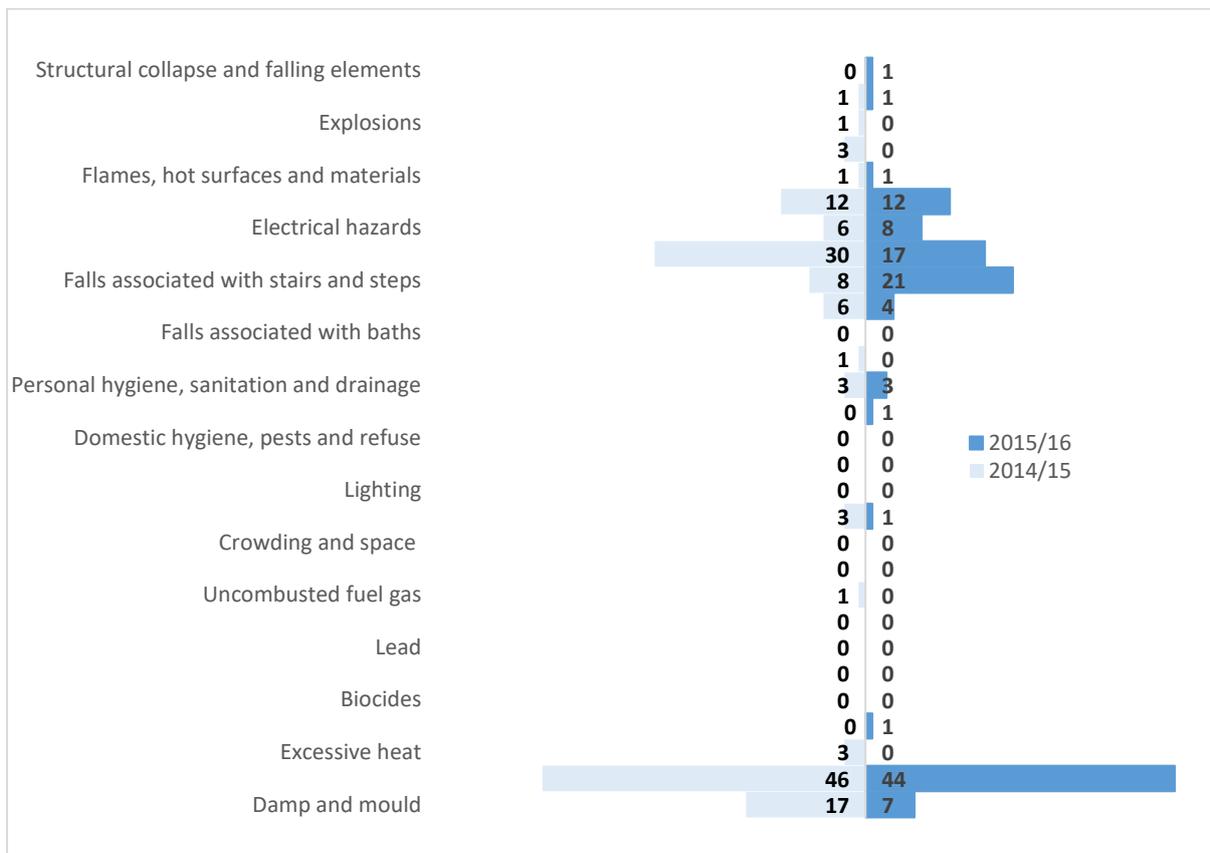
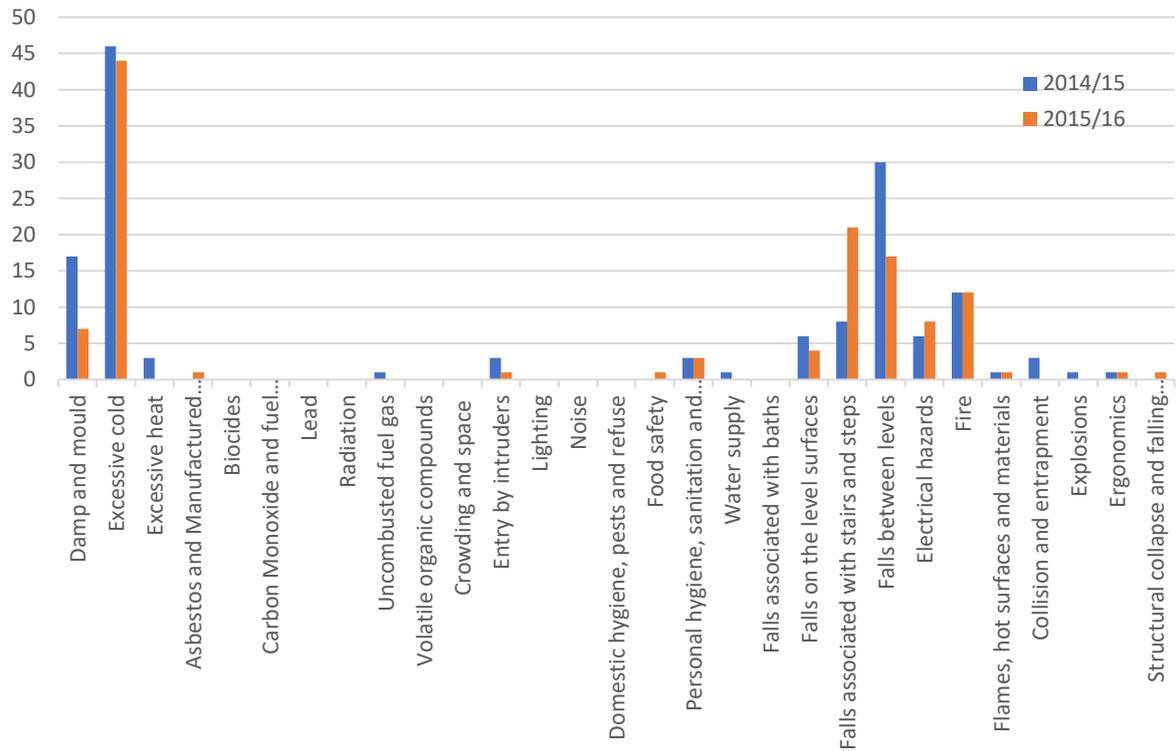
Areas with proportions of private rented stock above the national average (20%) were examined more closely and the following maps show the levels of HHSRS category 1 hazards and disrepair combined with the worst 20% Index of Multiple Deprivation.



Analysis was undertaken of the category 1 & 2 hazards recorded between 2013 and 2017 related to private sector rented dwellings. The findings are shown in the diagrams below related to private sector dwellings. The two most common types were excess cold, and hazards associated with falls. The data also shows an increase in hazards associated with fire.



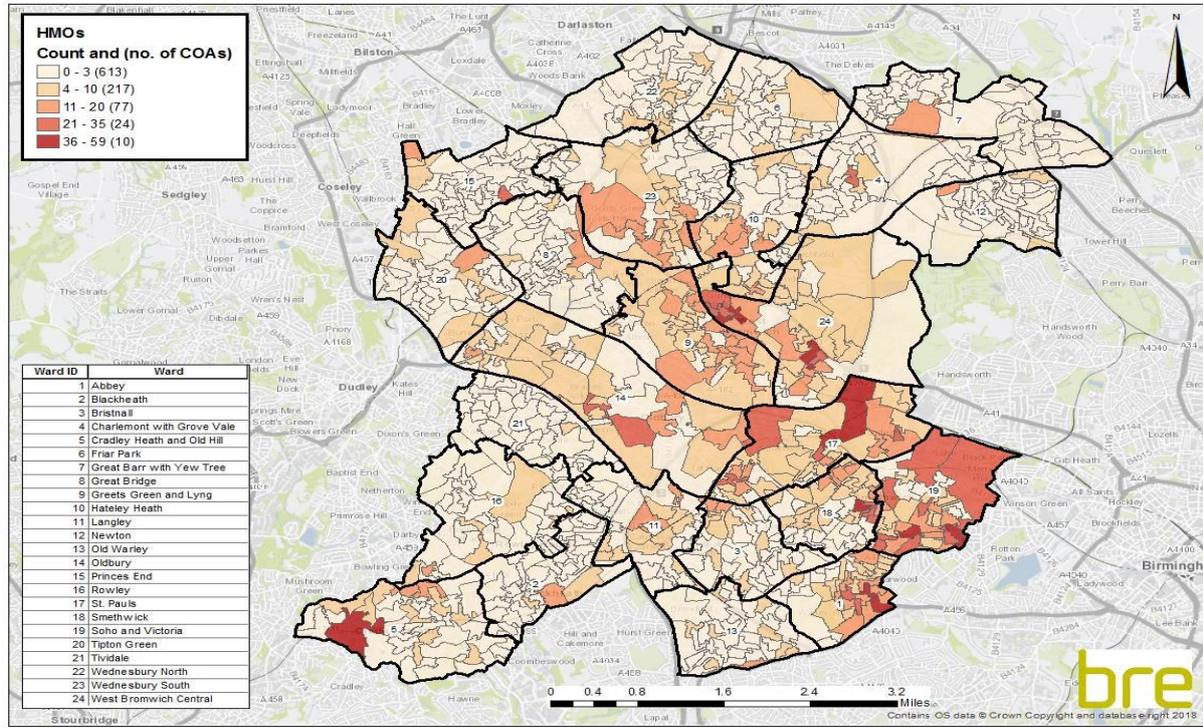
## Complaints categorised by HHSRS





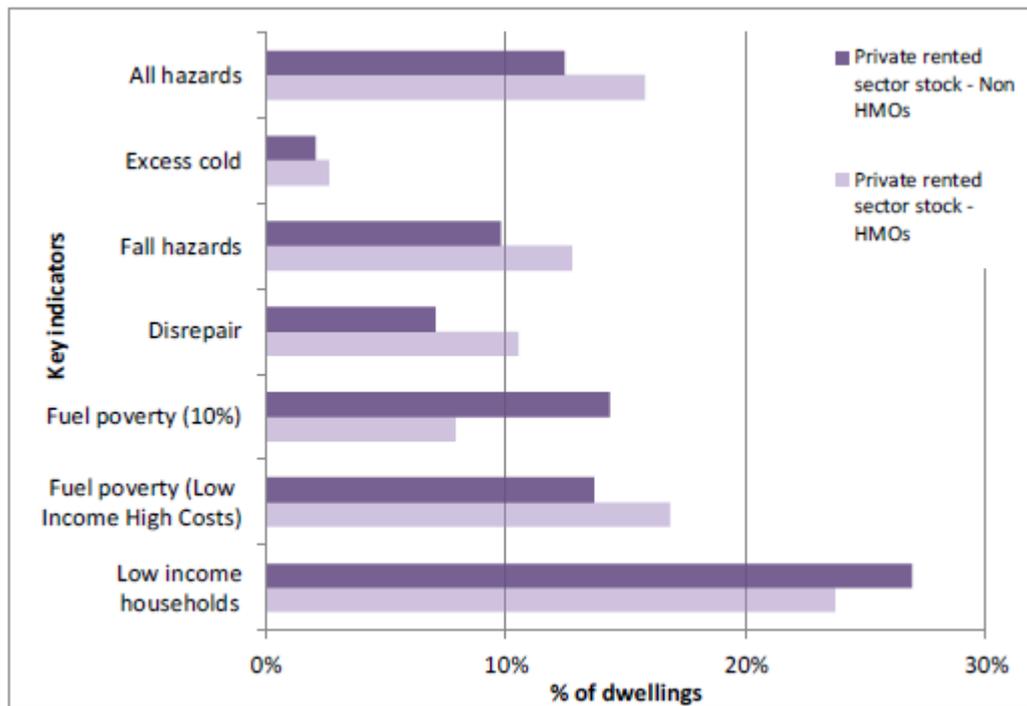
## Houses in Multiple Occupation in Sandwell

The map below shows the geographic distribution of HMOs within Sandwell. The map shows the majority of HMOs to be concentrated towards central and south eastern parts of Sandwell in the urban areas of West Bromwich and Smethwick. There are notable concentrations across the west of West Bromwich Central ward and Soho and Victoria ward.



The (BRE) modelling estimates the number of HMO's within Sandwell is 4,247 with the concentrations in the West Bromwich Central and Greets Green and Lyng wards as 657. This equates to 15% of the total estimated within Sandwell

The table below shows the results for each of the key indicators in Sandwell for the private rented sector split into non-HMOs and HMOs. In general, HMOs in Sandwell are in poorer condition than non-HMOs in the private rented sector. The levels of HHSRS category 1 hazards are higher for HMOs (16% compared to 12% for non-HMOs), especially for fall hazards (13% compared to 10%), rather than for excess cold hazards. Levels of disrepair are also higher for HMOs (11% compared to 7% for non-HMOs). However, as HMOs have lower energy efficiency levels compared to non- HMOs (average Simple SAP score of 59 compared to 61), the levels of fuel poverty are higher for HMOs for the Low Income High Costs definition, but lower for the 10% definition.



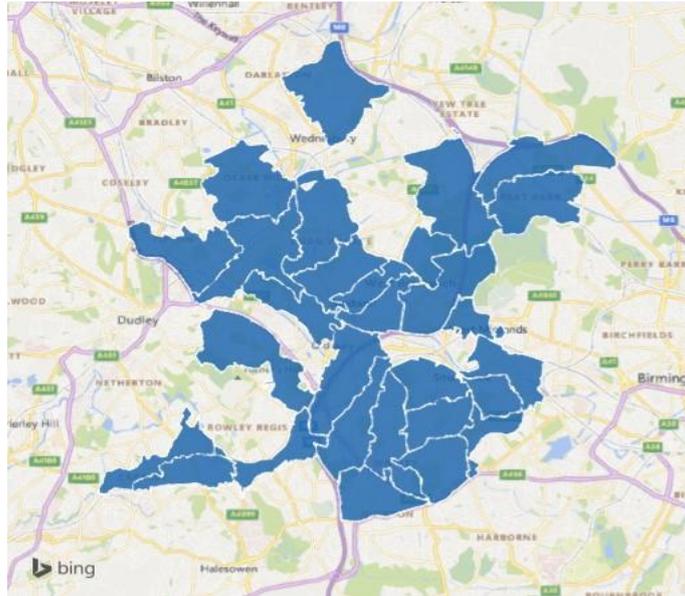
Many HMOs operate under the radar and consist of some of the poorest housing conditions in the borough. Traditionally HMOs present a higher level of risk to the occupants, due to the size, layout of the building and more intensive use of electrical and cooking appliances; increasing the risk of fire. Our current work under funding from the controlled migration fund has uncovered poorly managed buildings, absent landlords and appalling housing conditions. They are often occupied by some of our most deprived and vulnerable residents. The proposed additional licensing scheme within the West Bromwich area would increase our powers and go some way to improving the lives of the residents.

### **Modern Slavery & Human Trafficking in Sandwell**

Modern Slavery is a global phenomenon of organised criminality and one which is sadly now recognised as having a footprint within our communities. This is largely because Sandwell is a diverse area, is centrally based and with ease of access from both abroad and from other areas of the UK making us vulnerable in attracting those with the criminal intent to exploit.

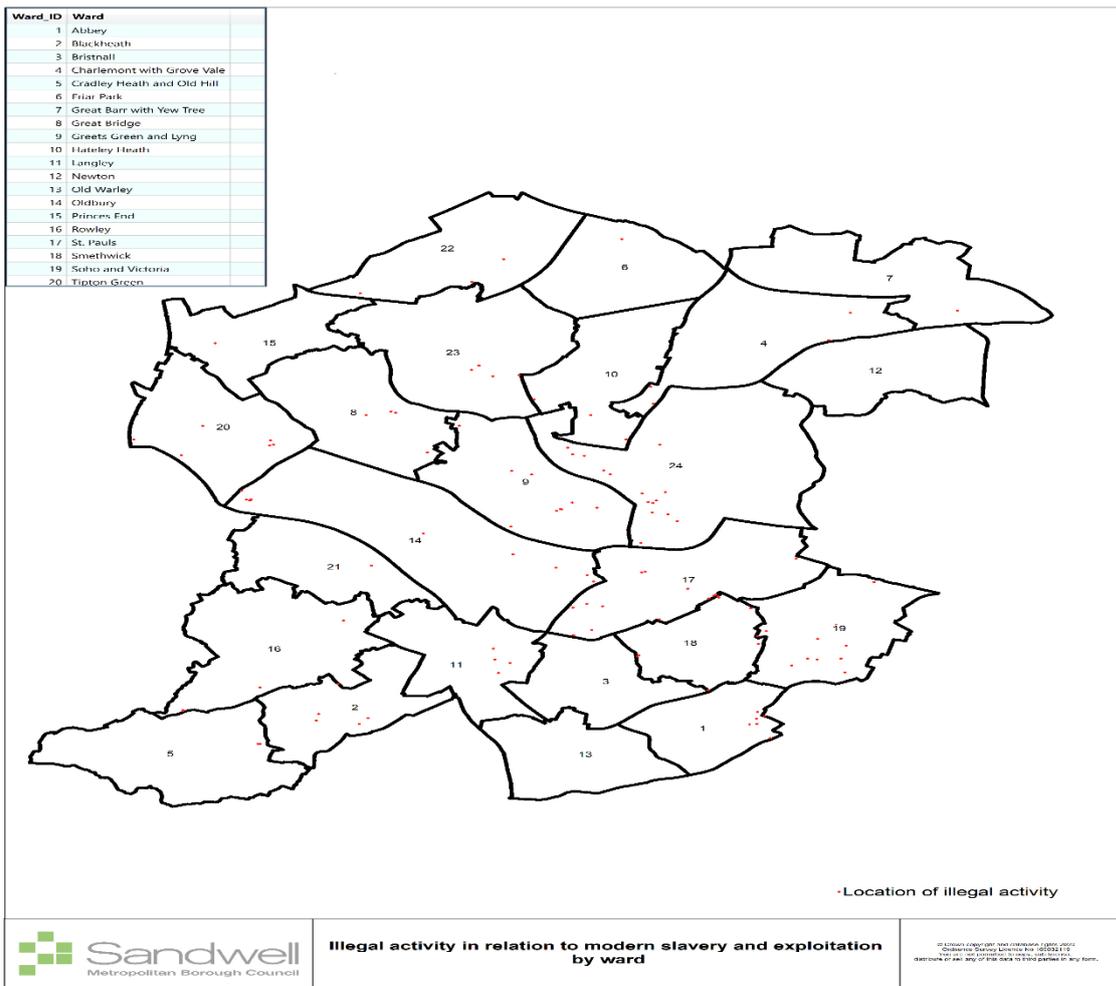
We are committed to ensuring that our response to Modern Slavery is robust and informed, and that our central aim is to partnership work with other agencies which include Police, Home Office Immigration, West Midlands Fire Service and Utility providers to disrupt the activity of perpetrators and to make Sandwell a hostile place from which to perpetrate Modern Slavery.

Current data has shown West Bromwich & Smethwick areas as hotspots for this form of criminality with over 50% of incidents investigated are linked with the private rented sector particularly within HMO's. The location map below shows a number of incidents within 2018/19 around the West Bromwich central area.



**Modern Slavery location**

**West Bromwich and Smethwick significant hotspots**



**Location of illegal activity associated with Modern slavery & human trafficking**

Headline data obtained from Sandwell’s Slavery and Human Trafficking Operational Partnership in September 2019 indicated:

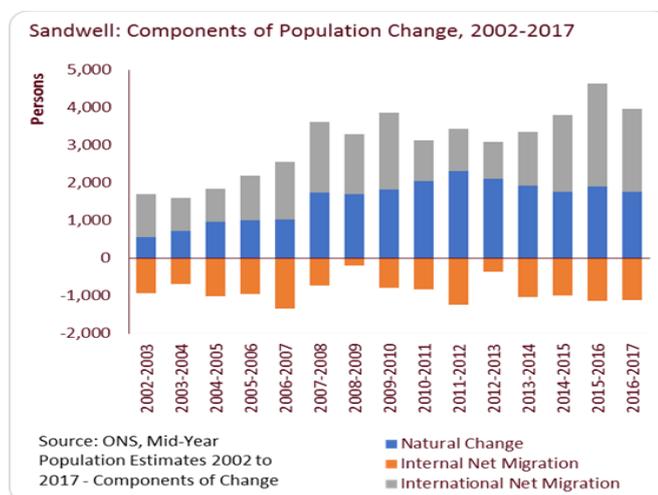
- There has been a 62% increase in referrals since Q1
- Referrals show an 89% increase on last year’s referrals
- 59% increase in agency interventions since Q1
- 94% increase in multi-agency visits since Q1
- 37 cases have been referred to NRM (National Referral Mechanism)
- 74% of Cases have been in Smethwick and West Bromwich

### Migration in Sandwell

The 2016 Office for National Statistics (ONS) population projections showed that Sandwell’s population would increase by 30,300 people from 322,600 in 2016 to 352,900 in 2030. This is an increase of 9.4%, which is a higher projected growth rate than for England and Wales at 7.5% over the same period.

The latest population estimate for Sandwell is 325,460, this is the 2017 mid-year estimate produced by the Office for National Statistics. Over the sixteen-year period between 2001 and 2017 Sandwell’s estimated population has increased by 14%, rising by 40,866 people, from 284,594 in 2001.

This population change has been heavily influenced by both UK internal and international migration as depicted in the table below.



The chart above shows that migration into Sandwell increased between 2001-2011 to over 20,000 people, compared to just 5,000 people between 1991 -2001 These results depicted in the table below are comparable to year of arrival figures for England and Wales. Census data suggests that high proportions of new entrants to Sandwell occupy private rented accommodation.

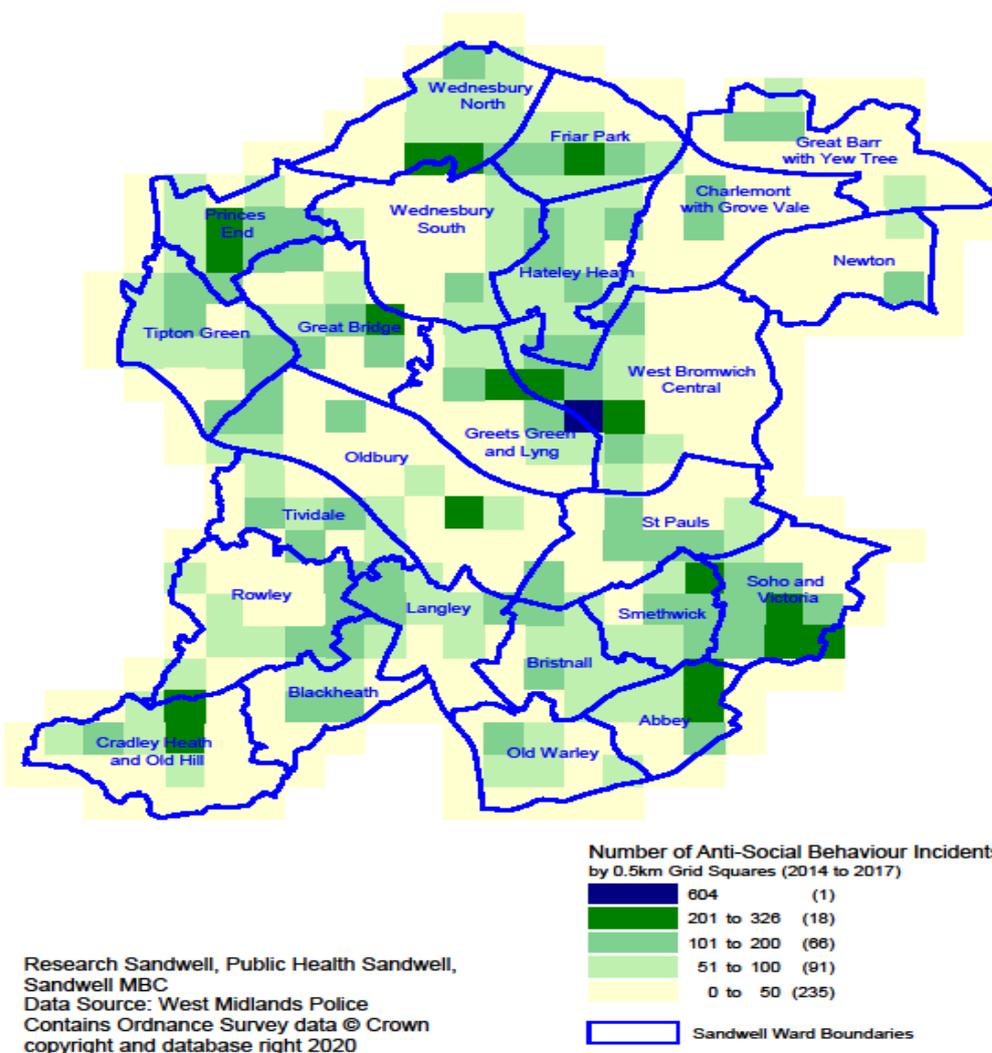


Sandwell wards shows that all would lie in the most deprived 40 percent of all LSOAs nationally. The most deprived Sandwell wards, which fall within the worst 10% of national scores, are Princes End and Greets Green & Lyng. This suggests a direct correlation between deprivation and areas of high volume poor quality private rented accommodation.

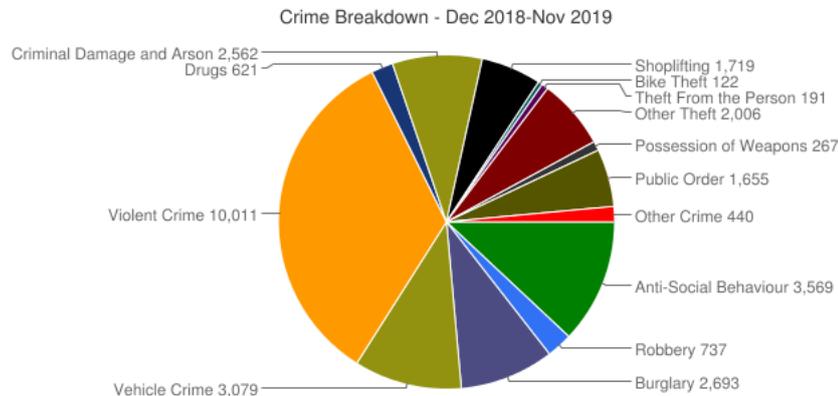
### Crime and Anti-Social Behaviour

The map below shows the number of anti-social behaviour incidents with Sandwell between 2014 to 2017. The West Bromwich Central and Greets Green and the Lyng wards show the highest number. It is recognised that the incidents cannot all be attributed to the private rented sector however, it is considered that the implementation of the proposed licensing schemes will assist with dealing with some of the incidents.

**Number of Anti-Social Behaviour Incidents  
by 0.5km Grid Squares - 2014 to 2017**



The overall crime breakdown in Sandwell between Dec 2018 and Nov 2019 is shown below. The number of anti-social behaviour incidents reported to the police between Dec 2018 and Nov 2019 in Sandwell was 3,569 of which 459 incidents were in the West Bromwich Central and Greet's Green and Lyng wards



The number of anti-social behaviour incidents reported to the police between Dec 2018 and Nov 2019 in Sandwell was 3,569 of which 459 incidents were in the West Bromwich Central and Greet's Green and Lyng wards

### Noise complaints

Noise complaints received directly by the Council were analysed between the period April 2016 to March 2019. The data indicates there has been an increase each year in complaints from 832 in 2016/17, 1019 in 2017/18 and a total of 1,233 in 2018/19. 119 complaints were in the West Bromwich Central and Greet's Green and Lyng wards

### Noise complaints: April 2018 – March 19

Complaint Category	(Multiple Items)
	<b>Sum of TOTAL REQUESTS</b>
Abbey (LLPG)	39
Blackheath (LLPG)	47
Bristnall (LLPG)	48
Charlemont With Grove Vale (LLPG)	37
Cradley Heath & Old Hill (LLPG)	43
Friar Park (LLPG)	56
Great Barr With Yew Tree (LLPG)	45
Great Bridge (LLPG)	76
Greet's Green & Lyng (LLPG)	42
Hateley Heath (LLPG)	39
Langley (LLPG)	40
Newton (LLPG)	43
Old Warley (LLPG)	28

Oldbury (LLPG)	68
Princes End (LLPG)	54
Rowley Regis (LLPG)	50
Smethwick (LLPG)	62
Soho & Victoria (LLPG)	82
St Pauls (LLPG)	36
Tipton Green (LLPG)	65
Tividale (LLPG)	43
Unspecified	27
Wednesbury North (LLPG)	43
Wednesbury South (LLPG)	43
West Bromwich Central (LLPG)	77
<b>Grand Total</b>	<b>1233</b>

## 9. Conclusion

Through our evidence building, we believe that we have satisfied the legislative test for introducing a selective and additional licensing scheme to the West Bromwich area. The key findings of our various data analysis are summarised below, however in relation to Sandwell the borough has levels of crime and ASB that would meet the prevalence criteria above however current data does not allow this all to be attributed to private rented accommodation.

### Growth in the private rented sector

- There has been a 9.2% increase in private rental households in Sandwell between 2001 and 2011.
- The 2011 Census data shows Sandwell as having 18,223 private rented properties, it is estimated the private rented sector in Sandwell now makes up an estimated 26% (34,386) of all housing accommodation in the borough with some wards in Sandwell in excess of 35%. This is significantly higher than the national average of 20%
- We estimate that the number of private sector households stands at 34,386 and up to 15% could be HMOs.

### Poor Housing Conditions

- For the period 2014 to 2018 an average of 852 housing complaints were received.
- Category 1 & 2 (high risk) hazards recorded between 2014 and December 2018 relating to private sector dwellings. The two most common types were excess cold, and hazards associated with falls.
- Pest control complaints received during April 2018 and March 2019 confirmed a total of 5,370 recorded incidents.

### **ASB and Noise**

- The number of anti-social behaviour incidents reported to the police between Dec 2018 and Nov 2019 in Sandwell was 3,569 of which 459 incidents were in the West Bromwich Central and Greets Green and Lyng wards
- Noise complaints for domestic premises received directly by the Council between April 2018 and March 2019 totalled 1,233. of which 119 complaints were in the West Bromwich Central and Greets Green and Lyng wards

### **Crime**

- The number of anti-social behaviour incidents reported to the police between Dec 2018 and Nov 2019 in Sandwell was 3,569 of which 459 incidents were in the West Bromwich Central and Greets Green and Lyng wards.
- Headline data obtained from Sandwell's Slavery and Human Trafficking Operational Partnership in September 2019 indicated:
  - Referrals show an 89% increase on last year's referrals
  - 74% of Cases have been in Smethwick and West Bromwich

### **Migration**

- Over the sixteen-year period between 2001 and 2017 Sandwell's estimated population has increased by 14%, rising by 40,866 people, from 284,594 in 2001.
- This population change has been heavily influenced by both UK internal and international migration. Census data suggests that high proportions of new entrants to Sandwell occupy private rented accommodation.

### **Deprivation**

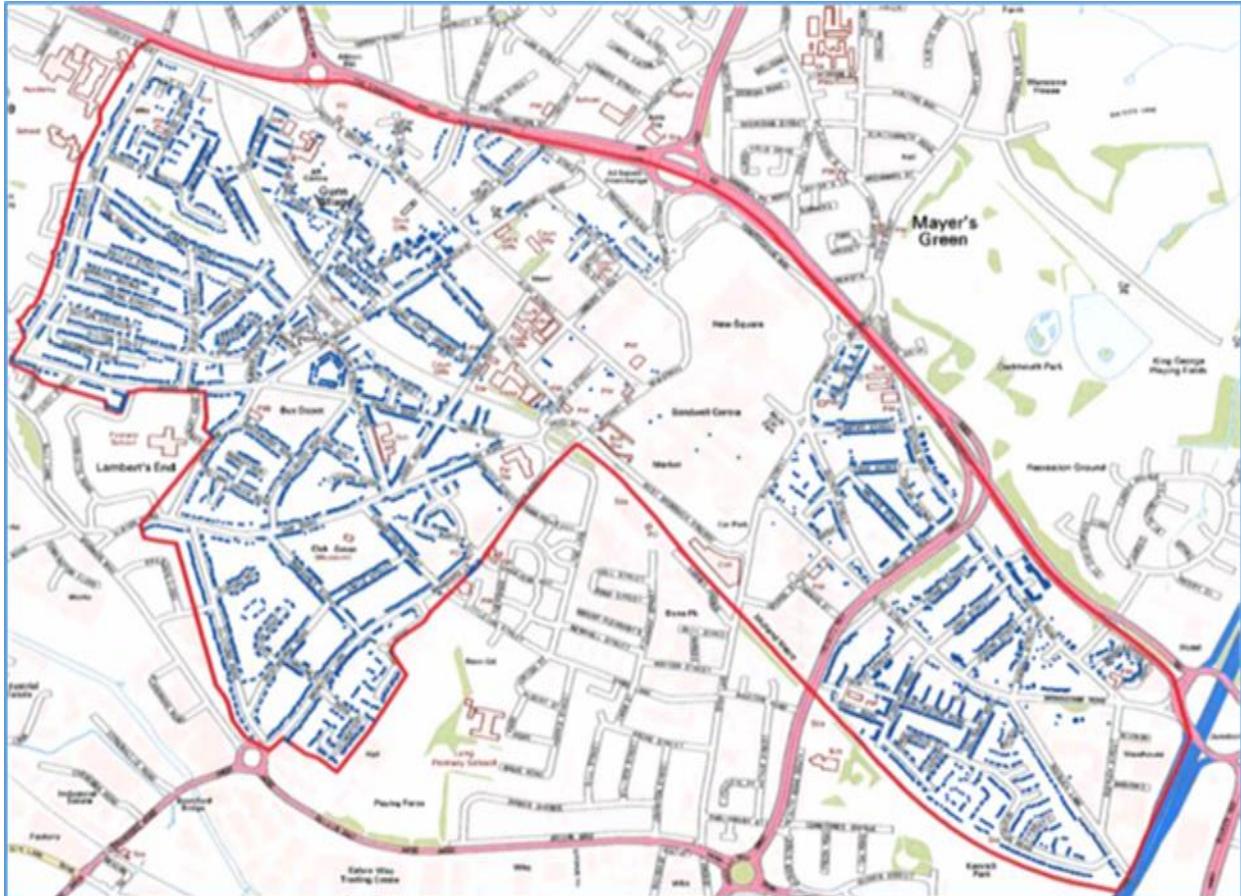
- Sandwell's average deprivation score ranked 12<sup>th</sup> most deprived local authority in England, out of a total of 317.
- The most deprived Sandwell wards, which fall within the worst 10% of national scores, are Princes End and Greets Green & Lyng. This suggests a direct correlation between deprivation and areas of high volume poor quality private rented accommodation.

In consideration of the implementation of selective/additional licensing, Census Output Areas across Sandwell with the highest percentage of private rented sector properties were identified. Census Output Areas are designed specifically for statistical purposes and are based on data from the 2001 Census and built from postcode units. In Sandwell, there are 925 Census Output Areas. Each area has an average of 130 households.

Census Output Areas were then overlaid with the following information:

- Concentration of properties with potential Category 1 Hazards (e.g. those posing a serious and immediate risk to a person's health and safety)
- Concentration of Houses in Multiple Occupation
- Reports of Anti-Social Behaviour & modern slavery
- Levels of Deprivation

When considered, this information suggests that the area of West Bromwich (illustrated below) meets a number of the criteria for the introduction of both additional and selective licensing and would see significant benefits from its implementation.



Consultation is a key feature of the development of the proposals. Section 80 (9) of the Housing Act 2004 requires that before making a designation, the Local Authority is required to undertake a formal consultation process on the proposed implementation of the Selective and Additional (HMO) Licensing designations and take reasonable steps to consult with persons likely to be affected. This should include local residents, including tenants, landlords, managing agents and other members of the community who live or operate businesses or provide services within the proposed designation and neighbouring areas that may be affected.

Our engagement and consultation process will last for a period of 10 weeks, which will commence, in January 2020. To provide an impartial consultation Sandwell has commissioned external consultants M·E·L Research to undertake the consultation process.

Further information about the consultation process and how to get involved will be provided on Sandwell's website and everyone who is likely to be directly affected by the proposals will be contacted and invited to participate in the consultation. The consultation will be widely promoted, including but not limited to, using the following media.

- We will supply a press release to local media
- Sandwell Council website and social media
- We will contact landlords, letting and management agents who operate in and around the proposed area, inviting them to complete a questionnaire
- We will provide residents and business or services within the proposed area of Selective Licensing and surrounding area information on the proposed scheme and how to access the consultation process
- The consultation will be promoted at Sandwell's landlord events and Forums to allow people to come along and discuss the licensing proposals. It will also give an opportunity for landlords to talk about the requirements that will be placed on them by the scheme if it is approved.
- We will engage with neighbouring Local Authorities.

Following the closure of the consultation period the responses will be evaluated and published on the Sandwell Council's website. The responses will be considered and will inform officer recommendations to Members before making a final decision as to whether to proceed with Selective and Additional (HMO) Licensing within the proposed area.

Following the ten-week public consultation, the Local Authority will carefully review all representations made. A report will then be submitted to Cabinet later in the year for Member consideration and decision.

If Cabinet agree the proposed designations for Selective and Additional (HMO) Licensing, the Selective Licensing and Additional (HMO) Licensing designations would become operative around autumn 2020 with both schemes lasting for a period of five years. If Cabinet decide not to designate the area, Sandwell could continue solely with the current reactive enforcement regime.

These timescales may be subject to change in the event of unforeseen circumstances.