

# **Housing Conditions Plus**

## **Use Case Brief**

**Perminder Sandhu**

**Insight Programme – Data Science Lead**

**14 July 2020**

Contents

Introduction ..... 3

    Insight Programme – Background and Context ..... 3

    Housing Conditions Plus Use Case – Background and Context..... 3

1. Use Case Summary..... 4

    1.1. Objectives ..... 4

    1.2. Deliverables ..... 7

    1.1. Outcomes..... 8

2. Recommendations..... 9

Appendices ..... 10

    Appendix 1: Use Case Project Plan..... 10

Appendix 2: User Guide: TBD ..... 11

# Introduction

## Insight Programme – Background and Context

The Council Plan clearly articulates an ambition to “make much better use of customer insight and business intelligence to ensure we make informed decisions and deploy all our resources appropriately”. The ambition is to move to a way of working where information duplication is minimised, where there is single truth of what information is telling us, where information can be viewed and managed across departmental and organisational boundaries allowing a single view of the citizen or any other entity as they interact with public services.

This was articulated in the Information Management Strategy 2018 the vision of which was to:

“Make the council an information led and evidence based, organisation working with sound and reliable data for the benefit of its residents.”

The Insight Programme, which started in June 2019 and is due to complete December 2021 is delivering the vision of the Information Management strategy 2018 to introduce new and improved Information Management and data analytics capabilities and a functional team that will:

- Work iteratively with the business to improve data quality
- Provide visibility of all of our data and enable us to draw quickly on this data, cross directorate for the benefit of our stakeholders and citizens
- Have the right governance, standards and frameworks in place to ensure legal and ethical compliance
- Provide the tools (self-service) and assistance as required to make much better use of customer insight and business intelligence to improve service efficiency and service delivery.

## Housing Conditions Plus Use Case – Background and Context

The Government values the private rented sector and wants to see a strong, healthy and vibrant market. Its aim is a bigger and better private rented sector that offers security, stability and decency<sup>1</sup>. The Government is keen to ensure that the sector is encouraged to meet, in a professional way and with decent quality accommodation, the demands placed upon it by the housing needs of the wide range of tenants it services.

Currently local authorities have powers to introduce selective licensing of privately rented homes in order to tackle problems in their areas, or any part or parts of them, caused by low housing demand and/or significant anti-social behaviour. Local residents, landlords and tenants (and any other person likely to be affected by the selective licensing designation) must be consulted prior to the introduction of a licensing scheme. Landlords who rent out properties in an area that is subject to selective licensing are required to obtain a licence from the local authority for each of their properties.

---

<sup>1</sup> Selective licensing in the private rented sector: A Guide for local authorities, Department for Communities and Local Government, Queen’s Printer and Controller of Her Majesty’s Stationery Office, March 2015, pps 4.

With effect from 1 April 2015, a new General Approval came into force. Local authorities are required to obtain confirmation from the Secretary of State for any selective licensing scheme which would cover more than 20% of their geographical area or would affect more than 20% of privately rented homes in the local authority area. Additional criteria for making a scheme are also now in force. A designation may be made to combat problems in an area experiencing poor property conditions, an influx of migration, a high level of deprivation or high levels of crime.

Together these new rules will enable local authorities to make effective licensing schemes to address specific problems arising in particular areas.

## 1. Use Case Summary

The Use Case will be conducted from 22 June to 30 September 2020 and deliver the Minimum Viable Product (MVP) of a dashboard enabling Birmingham City Council Housing Directorate to profile all tenures of Housing within Birmingham, including but not limited to, Private Sector Rented (PSR), Public Sector (Local Authority, Housing Association, Charity...), and Owner Occupied, against 6 statutory criteria sufficient to determine if Selective Licensing can be applied.

### 1.1. Objectives

Before proposing a designation and embarking on a consultation the local housing authority must identify the problems affecting the area to which the designation will apply and provide evidence to support the existence of the problems<sup>2</sup>. It must also decide what other measures it, or other persons together with the local housing authority, will take together with the selective licensing scheme to eliminate or mitigate those problems and how they will work together. The local housing authority must also assess what outcomes will be delivered through the making of a scheme and taking the other measures<sup>3</sup>.

Based on the guidance from the Ministry of Housing, Communities and Local Government (MHCLG), Local Authorities may designate a selective licensing area on any one or more of the following statutory criteria:

#### 1. Low housing demand

To meet the statutory requirements for designating a scheme on the grounds of low housing demand under s80(3) and (4) of the Housing Act 2004 (the Act) the council must be satisfied of the following before making the designation:

- that the area is, or is likely to become, an area of low housing demand
- 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, contribute to the improvement of the social or economic conditions in the area.

In deciding the above a LA must consider (among other matters):

---

<sup>2</sup> Selective licensing in the private rented sector: A Guide for local authorities, Department for Communities and Local Government, Queen's Printer and Controller of Her Majesty's Stationery Office, March 2015, pps 8-13.

<sup>3</sup> It should be noted that in making a selective licensing designation, the local housing authority must also take other measures to help address the problems. A scheme cannot be made unless those other measures are to be introduced (or continued in force).

- the value of residential premises in the area, in comparison to the value of similar premises in other areas which the authority considers to be comparable (whether in terms of types of housing, local amenities, availability of transport or otherwise);
- the turnover of occupiers of residential premises;
- the number of residential premises which are available to buy or rent and the length of time for which they remain unoccupied.

## **2. Significant and persistent Anti-Social Behaviour (ASB)**

Section 80(6) of the Act sets out the statutory criteria a LA needs to be satisfied to designate an area for selective licensing on the grounds of ASB before making a designation. This requires demonstrating that there is:

- a significant and persistent problem caused by ASB within the area to be designated
- that some or all private sector landlords in the area are failing to act to combat the problem that it would be appropriate for them to take, and
- that making the designation when combined with other measures taken in the area by the LA or others together with the LA will lead to a reduction or the elimination of the problem.

## **3. Poor housing conditions**

To satisfy the statutory requirements for designating an area for selective licensing on the grounds of poor property conditions the council must show before making the designation:

- that the area contains a high proportion of properties in the PRS, in relation to the total number of properties in the area;
- that the properties referred to in the PRS are occupied either under assured tenancies or licences to occupy;
- that having carried out a review of housing conditions under section 3(1) of the Act, the local housing authority considers it would be appropriate for a significant number of the properties in the private rented sector to be inspected, with a view to determining whether any category 1 or category 2 hazards exist on the premises<sup>4</sup>;
- that the LA intends to carry out such inspections as referred to above, with a view to carrying out any necessary enforcement action; and
- that making a designation will, when combined with other measures taken in the area by the LA, or by other persons together with the LA, including any licence conditions imposed under section 90 of the Act, contribute to an improvement in general housing conditions in the area.

---

<sup>4</sup> See sections 4 to 7 of the Housing Act 2004 (c.34).

#### **4. High levels of migration**

To satisfy the statutory requirements for approving a scheme on the grounds of high levels of migration the council must show before making the designation that the designated area:

- contains a high proportion of properties in the private rented sector, in relation to the total number of properties in the area;
- that the properties in the PRS in the area are occupied either under assured tenancies or licences to occupy
- has or is recently experienced or is experiencing an influx of migration into it;
- that a significant number of the properties in the private rented sector in the area are occupied by those migrants referred to above; and
- that making a designation will, when combined with other measures taken in the area by the LA, or by other persons together with the LA, contribute to:
  - the preservation or improvement of the social or economic conditions in the area; and
  - ensuring that the properties in the private rented sector in the area are properly managed, and, that overcrowding is prevented.

#### **5. Deprivation**

To satisfy the statutory requirements for approving a scheme on the grounds of deprivation, the council must show before making the designation the designated area:

- contains a high proportion of properties in the private rented sector, in relation to the total number of properties in the area;
- that the properties in the PRS in the area are occupied either under assured tenancies or licences to occupy
- is suffering from a high level of deprivation, which affects a significant number of the occupiers of properties in the private rented sector and
- that making a designation will, when combined with other measures taken in the area by the LA, or by other persons together with the LA, contribute to a reduction in the level of deprivation in the area.
- In determining whether an area is suffering from a high level of deprivation, the LA may have regard to the following factors in relation to the area:
  - the employment status of adults;
  - the average income of households;
  - the health of households;

- the availability and ease of access to education, training and other services for households;
- housing conditions;
- the physical environment; and
- levels of crime.

## 6. Crime

To satisfy the statutory requirements for designating an area for selective licensing on the grounds of high crime, the council must demonstrate before making the designation that the designated area

- contains a high proportion of properties in the private rented sector, in relation to the total number of properties in the area;
- that the properties in the private rented sector in the area are occupied either under assured tenancies or licences to occupy;
- suffers from high levels of crime;
- that the criminal activity affects those living in the properties in the private rented sector, or other households and businesses in the area; and
- that making a designation will, when combined with other measures taken in the area taken by the LA other persons together with the LA or by the police, contribute to a reduction in the levels of crime in the area, for the benefit of those living in the area.

### 1.2. Deliverables

The Use Case will deliver the MVP of a dashboard (Figure 1) enabling Birmingham City Council Housing Directorate to profile all tenures of Housing within Birmingham, including but not limited to, Private Sector Rented (PSR), Public Sector (Local Authority, Housing Association, Charity...), and Owner Occupied, against 6 statutory criteria sufficient to determine if Selective Licensing can be applied.

The dashboard will incorporate anonymous BCC data and Open Data, and will be reviewed iteratively with the business according to an agreed Project Plan (Appendix 1). On completion of the MVP and once accepted by the business a User Guide (Appendix 2) will be provided but no on-going support or maintenance.

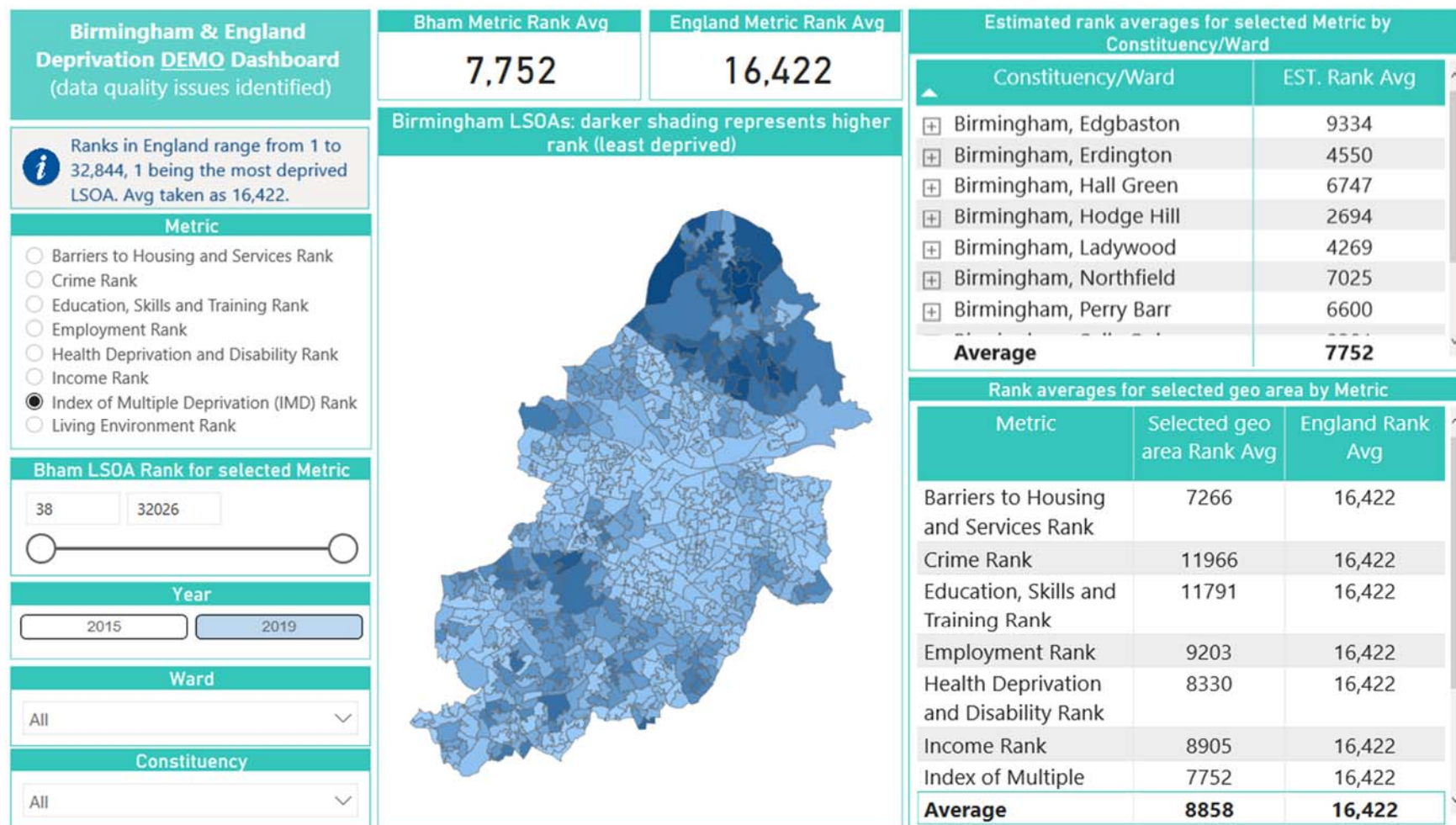


Figure 1: Example MVP Dashboard

## 1.1. Outcomes

The specific outcomes will be determined against MHCLG guidance:

1. Demonstrate the statutory criteria has been met in relation to the condition of Low Housing Demand as set out in part 3 of the Housing Act 2004 addressing each limb and providing evidence and analysis.



2. Demonstrate the statutory criteria has been met in relation to the condition of Significant and Persistent Anti-Social Behaviour (ASB) as set out in part 3 of the Housing Act 2004 addressing each limb and providing evidence and analysis.
3. Demonstrate the statutory criteria has been met in relation to the condition of Poor Housing Conditions as set out in part 3 of the Housing Act 2004 addressing each limb and providing evidence and analysis.
4. Demonstrate how each of the statutory criteria has been met in relation to each of High Levels of Migration as set out in the Selective Licensing of Houses (Additional Conditions) (England) Order 2015/977 addressing each limb and providing evidence and analysis.
5. Demonstrate how each of the statutory criteria has been met in relation to each of High Levels of Deprivation as set out in the Selective Licensing of Houses (Additional Conditions) (England) Order 2015/977 addressing each limb and providing evidence and analysis.
6. Demonstrate how each of the statutory criteria has been met in relation to each of High Levels of Crime as set out in the Selective Licensing of Houses (Additional Conditions) (England) Order 2015/977 addressing each limb and providing evidence and analysis.

## 2. Recommendations

As the Use Case MVP will be provided to the business with no support or maintenance, and if proven valuable to the business, Birmingham City Council Housing Directorate should consider commissioning a Production version of the dashboard with full support and maintenance from ITD.

## Appendices

## Appendix 1: Use Case Project Plan

[illegible]

Appendix 2: User Guide: To be delivered