



Burnley Borough Council Housing Unit's Criteria for the Designation of Selective Licensing Areas.

Background and scope of document

1. Part 3 of the Housing Act 2004 enables local authorities to use Selective Licensing as a housing management tool in areas where it is (or likely to be) an area of “low housing demand” or “experiencing a significant and persistent problem caused by antisocial behaviour.” The principle aim of Selective Licensing is to combat the problems created by private sector landlords (PSLs) who let premises in the area/s but are failing to take appropriate action to combat the antisocial and nuisance behaviour of their tenants.
2. The role of Selective Licensing is to complement and support existing measures in the Borough to address these issues. It should not be used in areas where little or no preventative, enforcement or development work is currently being done.
3. This document sets out a clear methodology to assess wards of the Borough against the aims and intended outputs of the project. It will ensure that all areas are treated equitably in their calls for Selective Licensing and that systematic and transparent decisions will be made.
4. Through this document, BBC will ensure that the issues outlined above will be prevalent in any area/s designated for Selective Licensing and will make certain it works in line with other measures.

The criteria

5. Each area designated for SL will need to demonstrate that it meets the following criteria:
 - A. that there is a high proportion of privately-rented properties in the area;
 - B. that the value of residential premises in the area is low in comparison to the value of similar premises in other comparable areas;
 - C. that there is a high turnover of occupiers of residential premises;
 - D. that there is a substantial number of residential premises available to buy or rent that have remained unoccupied for a considerable length of time;
 - E. that there is a significant and persistent problem caused by antisocial behaviour;
 - F. that some or all of the private sector landlords who have let premises in the area are failing to take appropriate action to combat the problem;
 - G. that there is an over-supply of private rented accommodation;
 - H. that there is a large proportion of private rented properties in a state of disrepair;
 - I. that there are already measures in place to combat these issues
 - J. that Selective Licensing could help where these are currently failing; and
 - K. that SL will help contribute to the improvement or the social and/or economic conditions in the area.
6. Each area of the borough will be assessed against these 10 criteria, using the methodology and the Matrix below. The outcome of this process will determine the designation priority of the areas.

Methodology

7. The key statistics for each ward will be worked out using the calculations or measures and comparators below.

Criteria	Calculation/measure	Comparators
A	PRS properties as a proportion (%) of all properties in the area	Average PRS properties as a proportion (%) of all properties in: <ul style="list-style-type: none"> ▪ the borough (2004) ▪ the BVPI areas (2001) ▪ the North West (2001) ▪ England (2001)
B	Average house prices in the ward (£s)	Average house prices in: <ul style="list-style-type: none"> ▪ the borough (Q1 2006, 2004) ▪ the BVPI areas (2004)
C	Property transactions in the ward as: <ul style="list-style-type: none"> ▪ proportion (%) of total dwellings ▪ average (%) trend data between 2002-4 	<ul style="list-style-type: none"> ▪ Average % in the borough (2005) ▪ Average turnover trend in BVPI areas (2002-4)
D	Number of vacant properties as: <ul style="list-style-type: none"> ▪ proportion (%) of total dwellings ▪ average (%) trend data between 2003-5 	<ul style="list-style-type: none"> ▪ Average % in the borough (May 2006) ▪ Average turnover trend in BVPI areas (2003-5)
E	Recorded ASB per ward (per household)	<ul style="list-style-type: none"> ▪ Average per borough ▪ <i>See what other stats are in the bid documents</i>
F	Anecdotal/audit trail evidence of landlords not responding to requests for action	Resident and stakeholder consultation in the priority areas
G	<ul style="list-style-type: none"> ▪ Proportion of PRS as % of all dwellings in ward ▪ Proportion of vacants in ward (%) 	Comparison of both measures
H	<ul style="list-style-type: none"> ▪ total unfit properties as proportion (%) of all dwellings (2004) ▪ Unfit PRS properties per ward, as % of total PRS properties (2004 HIP return) ▪ Disrepair cases per ward as proportion (%) or total disrepair cases (2004-6) 	<ul style="list-style-type: none"> ▪ Average unfit dwellings per BVPI area (2004) ▪ Comparison of both measures
I	<ul style="list-style-type: none"> ▪ project action per ward as proportion (%) of total action (facelifting, clearance, GLAS) ▪ ASB actions per ward as proportion (%) of total actions (ASBO, ABC) ▪ Trend data 	Judgement of 'improvement' in area based on trends in key statistics compared to level of involvement of ASB/demand actions.
J	Measure results of consultation from criteria F against the aims of selective licensing to see whether licensing the landlords in the area would have resolved the problems	Also need to look at other measures that could have helped the situation to see if any would be more effective, more cost effective and easier to implement.
K	Define targets for environmental, social and/or economic improvements in the area through selective licensing	Clear measures of how targets will be met and public 'sign up' of different teams and 'champions' to the initiative

8. All statistical evidence is recorded in [one spreadsheet](#). The spreadsheet consists of different worksheets, usually one worksheet per criterion, and holds information collated from other council departments and external partner agencies.
9. Once the statistics have been collated and the comparisons calculated, the results will be assessed to determine scores for each ward, using the matrix grids (Appendix 1). The applicable statistics to each criterion are highlighted in yellow on the worksheets so they are easily identified and auditable.
10. Priorities will be allocated to each ward based on the total scores they receive. The higher the score, the more pertinent the area's needs are to selective licensing and the higher the priority to implement selective licensing will be.
11. Once the scores have been collated and the highest priority areas identified, consultation with residents, landlords and other stakeholders will take place, in which we determine whether there is support for licensing landlords in the areas and ask for people to tell us of their experiences of private landlords (or tenants of). At the end of the consultation period, the results will be used to determine the area most suitable for the first implementation through discussion with the internal working group members and senior management.
12. This area will then go forwards to the Housing and Health Scrutiny Panel and the Executive for agreement to submit an application for the first designation area in Burnley.

The criteria

13. Criteria A-E and G-I each have their own 'matrix' grid/s. The grids consist of headings (bandings) across the top and down the left hand side, corresponding to how each ward has performed in each criterion. The boxes in the middle of the grid represent the points available.
14. The grids have been designed to ensure that the area/s with the biggest problems get the highest score.
15. Some grids have a total of five available points, others ten. Those grids where areas can score 10 are issues that selective licensing will directly impact (e.g. recorded levels of antisocial behaviour). Where a maximum score of only 5 is possible, the problem is worthy of consideration as a relevant issue and indicator, but implementation of selective licensing is not expected to have a direct impact (e.g. vacant properties).
16. Criteria F, J and K will be measured through consultation with the relevant communities, once the priority areas have been identified: Evidence will be collected around the actual problems experienced by residents and stakeholders in the area and measured against the aims and outcomes of the selective licensing programme to see if a licence regime would have tackled these problems. Frequency and recent history of the problems will be looked at, as well as the availability of other measures.

How to use the Matrix

17. Using the spreadsheet, locate how the ward has performed against the comparators for that criteria (i.e. is the value for the ward higher or lower than the average, and by how much?)
18. On the corresponding Matrix grid (Appendix 1), find the column and row that relate to the results of point [15].
19. As shown in the example (Appendix 2), the box where the column and row cross will contain the point scored by that ward for that criterion.
20. Do the same for each matrix box, recording all of the scores on the scoring sheet (Appendix 3) against the corresponding criteria.

21. Repeat this process for each Burnley ward, recording each score on the sheet for that ward
22. Record the total scores into the prioritisation worksheet of the statistical spreadsheet
23. Once they are all collated, sort the columns to determine the order of priority for designation.

APPENDIX 1: THE MATRIX

Criteria A⁽¹⁾: That there is a high proportion of privately-rented properties in the area, compared to the borough and the BVPI areas;

PRS properties in relation to borough \ PRS properties in relation to comparable areas	<1%	1% ~ 5.9%	6% ~ 10%	>10%
<1%	0	1	4	5
1% - 7.9%	1	3	7	8
8% - 15%	4	7	8	9
>15%	5	8	9	10

Criteria A⁽²⁾: That there is a high proportion of privately-rented properties in the area, compared to the North West and the rest of England;

PRS properties in relation to England \ PRS properties in relation to the North West	<1%	1% ~ 5.9%	6% ~ 10%	>10%
<1%	0	1	2	3
1% - 4.9%	1	2	3	3
5% - 7.5%	2	3	4	4
>7.5%	3	4	5	5

Criteria B: That the value of residential premises in the area is low in comparison to the value of similar premises in other comparable areas

Price relating to borough \ Price relating to comparable areas	<-30%	-30% ~ -5%	-5.1% ~ 30%	>30%
<-50%	5	4	3	1
-50% ~ -5%	4	3	2	0
-5.1% ~ 30%	3	2	0	0
>30%	1	0	0	0

Criteria C: That there is a high turnover of occupiers of residential premises

Turnover relating to borough Turnover relating to comparable areas	<-2%	-1.9% ~ 0.5%	0.6% ~ 4%	>4%
<-1.5%	0	0	1	2
-1.5% ~ 0.5%	0	1	3	3
0.6% ~ 3%	1	3	3	4
>3%	2	3	4	5

Criteria D: that there is a substantial number of residential premises available to buy or rent that have remained unoccupied for a considerable length of time

unoccupied available properties difference to borough unoccupied available properties difference to comparable areas	<-4%	-4% ~ -1%	-0.9% ~ 5%	>5%
<0.1%	0	0	1	2
0.1% ~ 3%	0	1	2	3
3.1% ~ 5%	1	2	3	4
>5%	2	3	4	5

Criteria E⁽¹⁾: that there is a persistent significant problem caused by antisocial behaviour;

$\frac{\text{\%age of total recorded ASB in the borough 2005/6 (MAPS team)}}{\text{\%age of total recorded ASB in the borough 2005/6 (police)}}$	0% - 3%	3.1% - 5.5%	5.6% - 10%	>10%
0% - 3%	0	1	2	2
3.1% - 5.5%	1	2	3	3
5.6% - 10%	2	3	3	4
>10%	2	3	4	5

Criteria E⁽²⁾: that there is a persistent significant problem caused by antisocial behaviour;

$\frac{\text{Score in table E(1)}}{\text{\%age of total ASB reports during 2003-6 (MAPS)}}$	<2	2	3	>3
0% - 4%	0	1	2	2
4.1% - 6.5%	1	2	3	3
6.6% - 10%	1	3	3	4
>10%	2	3	4	5

Criteria E⁽³⁾: that there is a persistent significant problem caused by antisocial behaviour;

$\frac{\text{Score in table E(1)}}{\text{\%age of total ASB reports during 2003-6 (Police)}}$	<2	2	3	>3
0% - 4%	0	1	2	2
4.1% - 6.5%	1	2	3	3
6.6% - 9.5%	1	3	3	4
>9.5%	2	3	4	5

Criteria G: that there is an over-supply of private rented accommodation

%age of PRS properties in area \ %age of PRS properties available to buy/rent that have been vacant for a considerable length of time	<5%	5% - 7.5%	7.6% - 10%	>10%
<8%	0	0	1	2
8% - 10%	0	1	2	3
10.1% - 12%	1	2	3	4
>12%	2	3	4	5

Criteria H: that there is a large proportion of private rented properties in a state of disrepair

Proportion compared to borough \ Proportion compared to other comparable areas	<5%	5% - 10%	10.1% - 15%	>15%
<5%	0	1	2	2
5% - 10%	1	2	2	3
10.1% - 15%	2	2	3	4
>15%	2	3	4	5

Criteria I: that there are already measures in place to combat these issues but these are currently failing – HOUSING DEMAND

average %age of works in past 3 years	<1%	1% ~ 5%	5.1% ~ 10%	>10%
Effectiveness				
None	0	5	8	10
Minimal	0	2	5	8
Maximum	0	0	0	0

Criteria J: that there are already measures in place to combat these issues but these are currently failing - ASB

average %age of works in past 3 years	<1%	1% ~ 3.5%	3.6% ~ 5%	>5%
Positive change in key criteria over past 3 years				
None	0	5	8	10
Minimal	0	2	5	8
Maximum	0	0	0	0

APPENDIX 2: How to score a ward against the Matrix

Ward 1 has **3.2% more** PRS properties than the borough average and **8.2% more** than the BVPI area average –

Criteria A: That there is a high proportion of privately-rented properties in the area;
 (1) that the proportion of PRS properties is higher than the borough and BVPI averages

PRs properties in relation to comparable areas \ PRs properties in relation to borough	<1%	1% ~ 5%	6% ~ 10%	>10%
<1%	0	1	4	5
1% - 7%	1	3	7	8
8% - 15%	4	7	8	9
>15%	5	8	9	10

3.2% more than the borough average

8.2% more than the BVPI average

So the **score** for Ward 1 for Criteria A⁽¹⁾ is **7**

APPENDIX 3: The Scoring Sheet

Ward	
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Criteria	Score
A that there is a high proportion of private rented properties in the area	
B that the value of residential premises in the area is low in comparison to the value of similar premises in other comparable areas	
C that there is a high turnover of occupiers of residential premises	
D that there is a substantial number of residential premises available to buy or rent that have remained unoccupied for a considerable length of time	
E that there is a significant and persistent problem caused by antisocial behaviour	
G that there is an over-supply of private rented accommodation	
H that there is a large proportion of private rented properties in a state of disrepair	
I that there are already measures in place to combat these issues	
TOTAL	