

## Analysis of councils with selective licensing schemes

### Generation Rent October 2021

The Department for Levelling Up, Housing and Communities publishes Local Authority Housing Statistics data returns annually, which includes condition of dwelling stock.<sup>1</sup> Within this category, councils are asked to respond to the following questions about the private rented sector (PRS):

- Total number of dwellings in Private Rents Sector, following an inspection, have found to have one or more category 1 hazards
- Total number of private sector dwellings in your Local Authority Area with Category 1 hazards which were made free from those hazards as a direct result of action by your Local Authority during 2019-20?
- Provide an estimate of the total number of HMOs within your authority.
- Provide an estimate of the total number of mandatory licensable HMOs within your Local Authority Area
- State the actual number of properties with mandatory HMO licences (issued within your authority).
- How many properties identified as being mandatory licensable HMOs have been found upon inspection to have Category 1 hazards (according to the HHSRS)?

The latest figures are for 2019-20.

For this project we looked at the first two sets of figures and compared councils which had selective licensing schemes in 2019 with those that did not. We also looked at how they compared when private renter population – as estimated by the Office for National Statistics’ Subnational Dwelling Stock by Tenure Estimates for 2019 – was taken into account.<sup>2</sup> While councils with selective licensing schemes are more likely to have larger private renter populations, in most cases these will cover only a minority of the sector, so the value of this comparison is not straightforward.

### Hazards

A total of 232 councils provided a non-zero figure for the number of homes found to have category 1 hazards (which we refer to as “unsafe homes”), a total of 17,659.<sup>3</sup> Of these, 32 councils had selective licensing schemes in 2019-20, and they reported 5,052 unsafe homes, an average of 158 per council. The remaining 200 councils reported 12,607 unsafe homes, though nearly 3,000 of these were reported by Erewash and Ryedale, districts with relatively small private rented sectors, so these may warrant further verification. (Though these figures are close to what the English Housing Survey would indicate the true number of unsafe homes would be.) Taking these two councils at face value, the average number of unsafe homes found by councils without selective licensing is 63.

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<sup>1</sup> <https://www.gov.uk/government/statistical-data-sets/local-authority-housing-statistics-data-returns-for-2019-to-2020>

<sup>2</sup>

<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/subnationaldwellingstockbytenureestimates>

<sup>3</sup> Full findings available here:

<https://docs.google.com/spreadsheets/d/16sE1FuGpyOu92nDCzhqRzB9mFnDYKt2wEHlyGC5Q7Ps/edit?usp=sharing>

We have ignored reports of zero unsafe homes as the councils may have a different system of recording these. It would be surprising for a council's environmental health team not to have recorded a single unsafe home in a given year.

Councils with selective licensing schemes had an average PRS population of 26,094, translating to 6.1 unsafe homes found per 1000 private rented homes. Councils without selective licensing had an average population of 13,225, giving 4.8 per 1000. The variation in relative coverage of selective licensing among councils with schemes means that the size of the population is not always relevant to a council's enforcement performance.

### Improvement

A total of 231 councils that reported findings unsafe homes also reported the number of homes they considered to have freed from category 1 hazards. The 31 councils which had selective licensing schemes reported having resolved 4,250 cases of hazards – a rate of 85%. Of the remaining 200, 8,187 out of 12,607 homes were freed from hazards – a rate of 65%.

This varies considerably from the number of formal "improvement notices" that councils have the power to serve on landlords found to be letting out unsafe homes – just one in four such homes are subject to one, according to Freedom of Information requests.<sup>4</sup> These notices are crucial for protecting tenants from retaliatory eviction and allowing them to claim back rent if the landlord fails to rectify the problem.

### Summary of figures:

| Type of council          | Number of councils | Population | Average population | Unsafe homes found | Per 1000 | Per council |
|--------------------------|--------------------|------------|--------------------|--------------------|----------|-------------|
| With selective licensing | 32                 | 835,038    | 26,094             | 5,052              | 6.1      | 158         |
| No selective licensing   | 200                | 2,618,529* | 13,225             | 12,607             | 4.8      | 63          |

\*population figures unavailable for two boroughs reporting 117 unsafe homes

### Notes:

Councils with selective licensing provided by the Centre for Public Data. Stoke on Trent included as scheme ran 2014-19

75 councils without selective licensing reported no unsafe homes; 10 with selective

<sup>4</sup> See <https://www.generationrent.org/three-quarters-of-tenants-in-unsafe-homes-go-unprotected>