

Property Licensing in Newcastle





**SOCIAL
ENGINE**

**Toby Blume
Director,**

**Unlocking the
evidence to drive
positive change.**



Private Sector Housing Growth



The private rented sector has doubled in size since 2002 and now houses 23% of households. This has led to an increase in the prevalence of problems



Evidence for Licensing



- Part 3 of the Housing Act 2004 gives local authorities the power to designate areas of selective licensing to help tackle concerns over anti-social behaviour
- low housing demand.
- poor property conditions,
- high crime,
- high levels of deprivation
- high migration.



Local authorities can designate an area for selective licensing for five years, but must first demonstrate the evidence for their concerns.

Property Licencing



- Licences contain conditions with which the applicant must comply over the life of the designation. Local authorities enforce compliance with the conditions of the licence.
- The licence requires payment of a fee, one part of which covers processing of the application and the remainder supports the associated enforcement scheme



The Challenge



The Private Rented Housing Sector (PRS) plays a vital role in Newcastle's housing market.

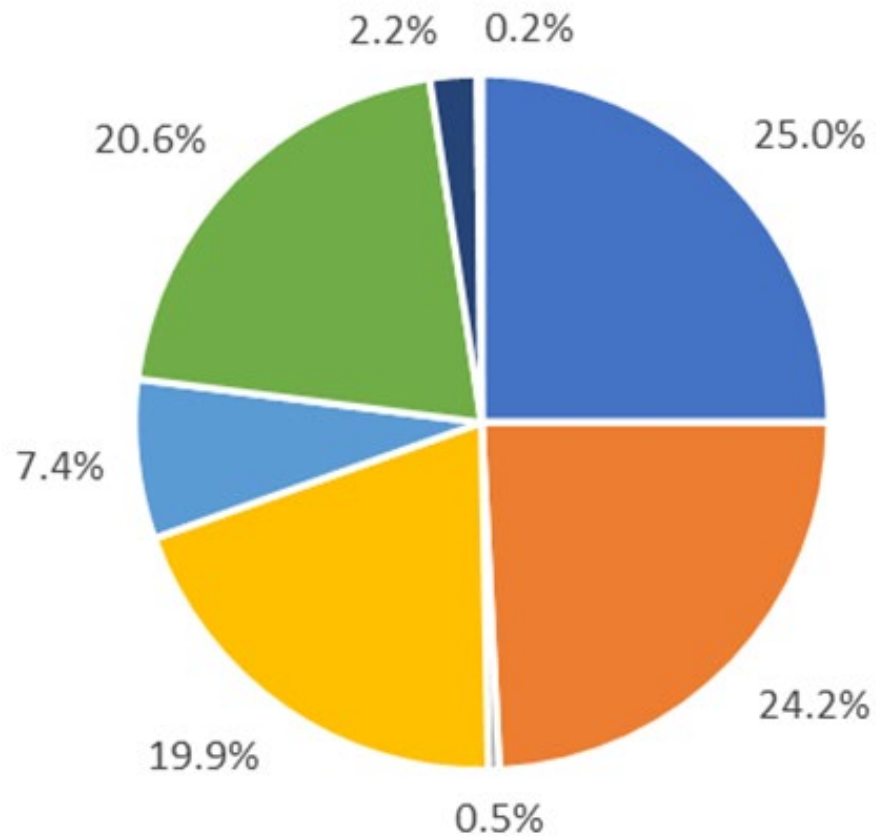
- The Council works proactively with many responsible landlords in the city,
- disproportionate number of private rented properties being in poor housing condition and experiencing property-related anti-social behaviour (ASB)..



Tenure of Household



Tenure of household



- Owned: Owns outright
- Owned: Owns with a mortgage or loan
- Shared ownership: Shared ownership
- Social rented: Rents from council or Local Authority
- Social rented: Other social rented
- Private rented: Private landlord or letting agency
- Private rented: Other private rented
- Lives rent free

Types of Property Licence



In Newcastle we have three types of property licensing

- Mandatory House of Multiple Occupation Licensing
- Selective Licensing
- Additional Licensing



Mandatory Licensing



The following benefits of mandatory licensing have been achieved:

- Improved facilities and amenity provision achieved by specific housing conditions.
- Improved housing conditions
- Every 5 years when a licence renewal application is received the fit and proper status of the applicant is assessed.
- All licensed properties have satisfactory gas, electric and fire certificates.
- All licensed properties have management statements.
- Licence holders are more engaged with council services and have a greater understanding of responsibilities.

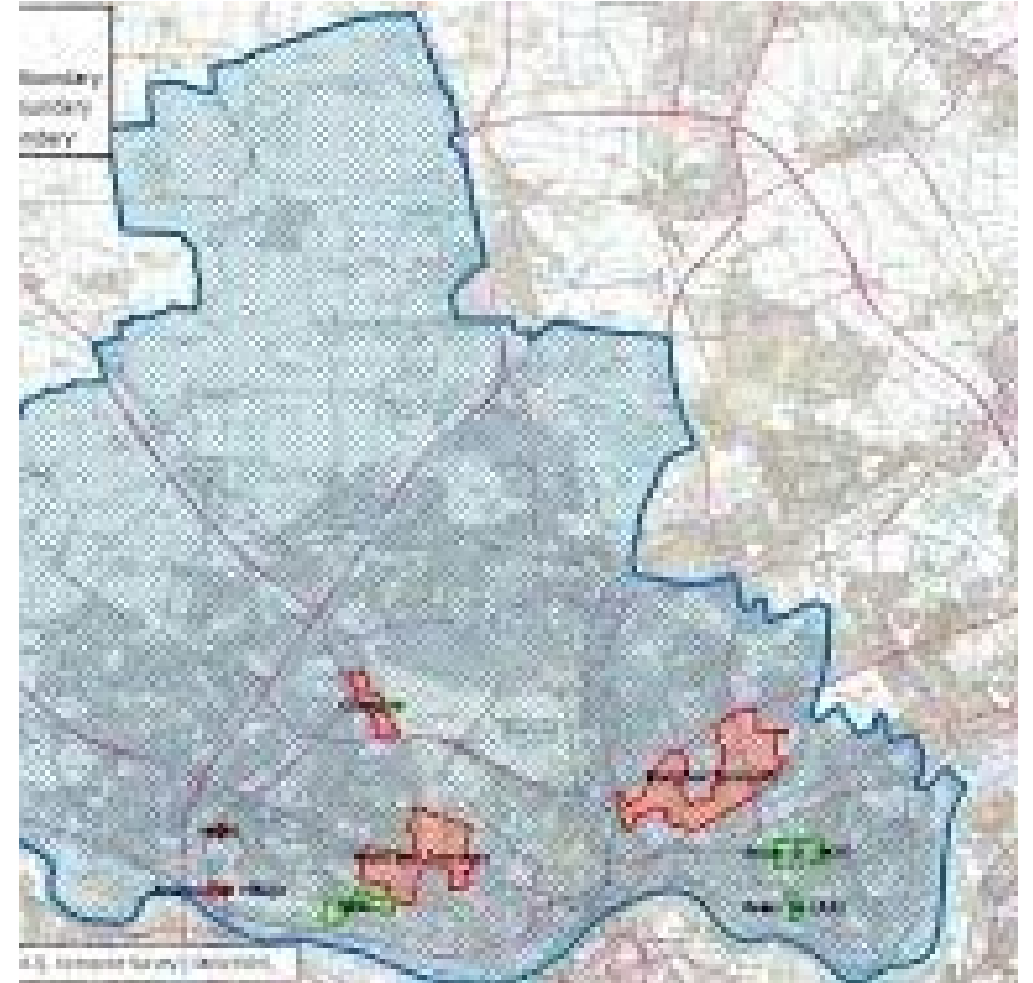


Property Licensing



7 Selective Licensing Areas:

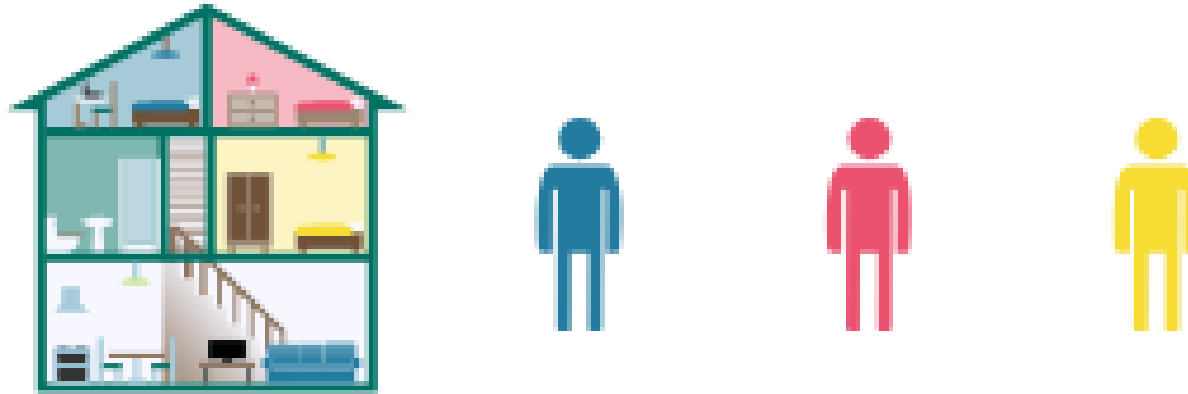
- Cowgate
- East End Terraces
- West End Terraces
- HHRS
- Scotswood Village
- Byker Old Town
- Greater High Cross



Additional licensing



- Additional licensing is city wide and was implemented in April 2020 running until 4 April 2025 and applies to properties which are occupied by three or more people in two or more households with shared basic amenities.





Management Orders

We are required to make an Interim Management Order (IMO) if

- a property is required to be licensed and is not so licensed and:
 - there is no reasonable prospect of it being licensed in the near future

1 IMO has been made to date, with the consideration being made for an additional 26 Properties.

1st IMO is anticipated to cost £20,000 in remedial works.

Property Licensing



Decision type	Selective
Rejected applications	35
Refused	8
Revoked with consent	216
Revoked Without Consent	26
Licences granted	4,737
Varied	394
refused variation	45
Application withdrawn	351
Representations made	206



Additional Licences



Licensing from 2020	Additional
Rejected applications	in total 35
Refused	1
Revoked with consent	231
Revoked Without Consent	6
Licences granted	2,588
Varied	344
refused variation	12
Application withdrawn	101
Representations made	169



Licences Issued for Reduced Term



- 842 short Licences Issued

Number Of Short Licences	
Poor Management	361
Undersize Kitchen	75
No EPC	51
Higher Fire Risk	209
Undersized Bedroom	73



Operating without a licence



- To date we have found 4,350 properties operating without a licence. However, by working with property owners, only 192 of those landlords have failed to submit their applications and received a civil penalty



Example of Poorly Managed Property



- Two major property portfolio holders in Newcastle were granted temporary licences with additional licence conditions. This included over 400 properties
- One of them actively participated in the supplementary training. They also restructured their operational methods and protocols. Consequently, when their licences came up for review, they had successfully completed all the necessary improvements.
- In contrast, the other portfolio owner declined the training and support offered by the council.



Licensing – since April 2020



General complaints and enquiries	15,830
Unlicensed properties pursued	4,350
Compliance Audits	6784
Part B Fee Enforcement	232
Unlicensed Property Enquiries	206



Notices Served – Last 12 Months



Community Protection Notice warning	101
Prevention of Damage by Pests Act 1949	71
Environmental Protection Act 1990	56
Public Health Act 1936 (Filthy & Verminous)	44
Smoke and carbon Monoxide Alarm regulations 2015	20
Community Protection Notice	20
Electrical Safety Regs 2020	18
Housing Act 2004 – Prohibition Order	14
Housing Act 2004 – Improvement notice	10
Building Act 1984	3
Public Health Amendment Act 1907 – fencing land	2



Licensing Account



	2020 Designation (forecast to March 2025)
Employees	£5,034,507
Supplies and Services	£260,721
Total Expenditure	£5,295,228
Licence Fee income	(£5,164,093)
Other income	(£48,062)
Total Income	(£5,212,155)
Net Expenditure	£83,073 deficit



Enforcement Action – since April 2020



Prosecutions	63
Civil Penalties	431
12-month licences	519
18-month licences	384



Landlord Prohibited

- Five Bedroom House
- Rats
- No hot water
- Serious Neglect



Landlord events



Between April 2020 and February 2024, the team has delivered:

- 1,268 tenants provided with advice and support
- 2,493 landlords provided guidance and support
- 258 vulnerable tenants provided with enhanced support
- 36 training events and 2 full day conferences
- 1,782 landlords provided with free training
- Online options made available during the COVID period.
- 955 landlords supported to write their management statement.
- Developed further online training options



Property Licensing



Contact us

Online at www.newcastle.gov.uk/propertylicensing

Email Propertylicensing@newcastle.gov.uk

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