

# Public Document Pack

## ***PLACE, ECONOMIC GROWTH AND ENVIRONMENT SCRUTINY BOARD Agenda***

Date Tuesday 12 March 2024

Time 6.00 pm

Venue Crompton Suite, Civic Centre, Oldham, West Street, Oldham, OL1 1NL

Notes 1. DECLARATIONS OF INTEREST- If a Member requires any advice on any item involving a possible declaration of interest which could affect his/her ability to speak and/or vote he/she is advised to contact Paul Entwistle or in advance of the meeting.

2. CONTACT OFFICER for this Agenda is Tel. 0161 770 5151 or email

### Item No

1 Apologies For Absence

2 Urgent Business

Urgent business, if any, introduced by the Chair

3 Declarations of Interest

To Receive Declarations of Interest in any Contract or matter to be discussed at the meeting.

4 Public Question Time

To receive Questions from the Public, in accordance with the Council's Constitution.

5 Minutes of Previous Place, Economic Growth and Environment Scrutiny Board Meeting (Pages 1 - 6)

The Minutes of the Place, Economic Growth and Environment Scrutiny Board held on 31<sup>st</sup> January 2024 are attached for approval.

6 Selective Licensing of Private Landlords (Pages 7 - 12)

7 Key Decision Document

8 Rule 13 and 14

To consider any rule 13 or 14 decisions since the previous meeting.

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**Present:** Councillor McLaren (Chair)  
Councillors Ibrahim, Iqbal, Jabbar and Kenyon (Substitute)

Also in Attendance:

Rhys Attwell	Constitutional Services
Paul Clifford	Director of Economy
Nasir Dad	Director of Environment
Abdul Jabbar	Cabinet Member for Finance and Resources

1 **APOLOGIES FOR ABSENCE**

There were apologies for absences which were received from Cllr Ghafoor, Cllr Moores, Cllr Hindle and Cllr Williamson.

2 **URGENT BUSINESS**

There were no items of urgent business received.

3 **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

4 **PUBLIC QUESTION TIME**

There were no public questions.

5 **MINUTES OF PREVIOUS PLACE, ECONOMIC GROWTH AND ENVIRONMENT SCRUTINY BOARD MEETING**

**RESOLVED-** that the minutes of the meeting held on 21<sup>st</sup> December 2023 be approved as a correct record.

6 **OLDHAM GREEN NEW DEAL DELIVERY PARTNERSHIP**

The Cabinet Member for Finance and Corporate Resources, Paul Clifford: Director of Economy and Nasir Dad Director of Environment presented to the Scrutiny Board a presentation on Oldham Green New Deal.

The Director of Economy presented the first half of the presentation on Oldham's new green deal update.

It was noted that Oldham Council are working towards 2025 and 2030 carbon neutrality targets, with the 2022/23 Council's carbon footprint being at 6,379 tCO<sub>2</sub>e, a decrease by 25% on the 2018/19 baseline. Oldham Borough had emissions at 841.5 ktCO<sub>2</sub>e and per capita emissions were at 3.5 tCO<sub>2</sub>e. Emissions had rose by 10% in the borough in 2021, with this being suggested as a result of covid-19 lockdowns.

The Scrutiny Board noted that the Oldham Green New Deal Delivery Partnership had been working on new initiatives for the last few years and was now moving to the implementation phase. The Council had secured 1.5 million from the DESNZ local Net Zero Accelerator Program via the GMCA to fund the

implementation and expansion of the community led energy planning approach developed by Carbon Co-op.



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A Green New Delivery Group had been established as a subgroup of the Oldham Partnership Board, with it being noted that the board is a mixed group of regional, businesses and community stakeholders.

Members heard that an independent Assurance provider had been procured although had not been appointed at the time of the meeting.

The Director for Economy informed the Board that the Council was also applying for £150K of grant funding from Innovate UK, with the objectives of using the funding to support community wealth building.

Members noted the Oldham Low Carbon Heat Network phase 1 as detailed in the presentation. Phase 1 involved an expansion of the existing St Mary's heat network with a new 2MW hybrid energy centre using heat from air source, wastewater source and mine water source. In addition, the expansion would involve 27 building connections across 5 phases including council, educational and residential sites with 30GWh/ annum heat demand and around 4.6km of new pipework. This was to be delivered by a JV with OGND delivery partner.

Members heard that Oldham Low Carbon Heat network phase 2, the core scheme located in St Marys cost £30 Million. The future expansion of remaining areas would cost £90 Million, with the hopes that delivering carbon savings will go a long way to helping Oldham Council achieve net neutrality.

Members noted that for Oldham Low Carbon Heat Network phase 3, the Council had secured £.8.7 Million from the Green Heat Network fund grant, which also included £1 Million in revenue for the next stage of feasibility and to evaluate mine water boreholes at Rhodes Bank. It was stated that Phase 3, would deliver Carbon savings of an estimated 3,700 tCO<sub>2</sub>e per annum.

Members were informed that as part of Phase 3, Oldham's Local area energy Plan showed potential for up to £340 Million of heat network opportunities in the borough.

As part of Oldham Low Carbon Heat Network phase 4, there were 9 zones which had been assessed on the objective of decarbonisation at a local level. With Members noting the first step priorities areas and long-term deployment areas, which had been identified in different areas within the Oldham borough. In addition to the heat network, other projects were included as part of the Oldham Green New Deal, including Wrigley Head Solar Farm, Net Zero Spindles, Area- based Retrofit Scheme and a Carbon Literacy e-learning package.

The Second part of the presentation was titled "Environment Strategy: Climate Change and Adaptation, and was delivered by Nasir Dad, the Director of Environment.

The Director of Environment explained the need for an environment strategy, with it being highlighted that on a national level there were greater challenges from climate extreme, from warmer or drier summers to colder winters. It was due to these extreme weather events that resulted in flooding, fires, and droughts that Oldham had developed a strategy that tried to mitigate these challenges at a local level.

Members heard that Oldham Council had developed a 5-year plan of priorities to ensure that the environment strategy connected with the Greater Manchester Strategies. It was noted within this that the new green deal priorities were focused upon homes, workplaces and public buildings, energy supply, transport, and travel. Other areas of priorities focused upon green spaces, air quality and how waste is managed locally.

Members were informed that the strategy was close to being completed a finalised, with the draft strategy still currently under review. It was noted that it was paramount that emergency plans were updated and reviewed regularly, with there being a need to work collaboratively with local businesses and the voluntary sector to deliver on the objectives of the environment strategy.

Members noted that as part of the delivery for the environment strategy, that there needed to be a stable form of governance which would encompass short-, medium- and long-term strategies in place, and a work stream operating alongside these strategies.

The Director of Environment explained to Members that Oldham's Garbage fleet would have to change to accommodate the environment strategy, which would involve the trial of electric bin trucks.

Members asked questions concerning the management of resident's expectations and the affordability of the projects in the face of public perception. It was explained by the Director of Economy that when introducing new infrastructure there can be misperceptions with the public. In direct relation to finance, the Cabinet member for Finance and Corporate Resources explained that for phase 1, 2 and 3 there is bigger ambition with government support through external funding.

Members asked questions regarding the lack of contract management skills which had been previously highlighted at other Scrutiny Board meetings. It was confirmed by the Director for Economy that they are building the necessary contract management skills are being built into the system.

The Cabinet Member for Finance and Resources stated that now there is only one person with the appropriate contract management skills, with there being a need to have more people externally with the same skill set.

Members were pleased to see that St Marys was the starting place for the heat network, but there were some reservations about the 12-month period for a climate change plan.

It was confirmed by the Director of Environment that the baseline for the project would be achieved in 12 months.

Members asked questions on when removing the trees on private land would there be replacement trees. The Director of Environment stated that there was a tree planting schedule. It was noted that trees are normally only removed based on health and safety or the tree being diseased.

Members asked what species of tree's were planted, with the Director of Environment stating that they are unsure on the varied species of trees which were planted but could find out and inform members following the meeting.

Members asked if Oldham Council would continue to develop a partners' network as part of the strategy, with hopes of including the private sector. The Director for Economy and Cabinet Member for Finance and Resources confirmed that there is room for private sector and voluntary sector to have role. It was noted that community lead initiatives had been encouraged, to make change.

The Cabinet Member for Finance and Resources informed members that a 'Green Summit' will be held in March, which will bring different stakeholders together.

Members asked if there would be a "Green drop-in session" which would be used to raise awareness. The Cabinet Member for Finance and Resources responded that they had been considering how to interact with the public, with a green drop inn session something which could be carried out.

Members asked if the Oldham Council will ensure that strategic partners who are supplying the energy, will always be cheaper than competition which uses gas.

The Cabinet Member for Finance and Resources stated that this would be the case, and part of the aim and ambition. It was noted target overall cost would be subsided by government grants which might help.

Members asked what lessons can be learnt for Oldham Council from Northern Roots. The Cabinet Member for Finance and Resources responded that there is a 168-acre plot which is being run by the council and charities with the aim of giving people the skills to run their own business. It was noted that there are still things to learn at the early stages of the project, Members are invited to attend events and see how progress is coming along.

Members asked if events relating to Northern Roots could be incorporated into the proposed drop-in sessions. The Cabinet Member for Finance and Resources confirmed that Northern

Roots could be incorporated into drop-in sessions, along with specific training.



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Members asked if training could be given to elected members of the Council. The Cabinet member for Finance and Resources and Director for Economy confirmed that training could be provided, with there being a wish to see elected members learn the literacy surrounding environmental science in relation to carbon neutrality.

Members wished to know if a developer could not fit renewable energy technology onto buildings, if there were any other ways to offset the carbon levels. The Director for Environment answered that there would need to be legislation and legal mechanisms for this to take place and was unsure of the legal procedure around it.

Members wished to know that in relation to extreme weather what was the localised issue for Oldham. The Director for Environment stated that at this moment in time there is no extreme weather issues, but this does not mean for future events there will not be localised issues, especially around urban areas.

The Chair wished to review this topic again in 12 months' time.

**Resolved:** - that

- a) Members noted the Oldham Green New Delivery Partnership report.
- b) The Scrutiny Board suggestion for the creation of "Green drop-in sessions" are to be established following the meeting.

## 7 **WORK PROGRAMME**

The Board considered it's work programme for 2023/24.

**Resolved-** that

- a) The Place, Economic growth and environment Scrutiny Boards work programme 2023/24 be noted.

## 8 **KEY DECISION DOCUMENT**

The Board considered the Key Decision document, which had recorded the key decisions that the authority is due to take.

**Resolved:** that the Key Decision Document be noted.

The meeting started at 18:00pm and ended at 19:17pm.

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**Report to OVERVIEW AND SCRUTINY BOARD**

## **Selective Licensing of Private Landlords**

**Portfolio Holder:**

Cllr Elaine Taylor, Deputy Leader and Cabinet Member for Housing, Planning and Licensing.

**Officer Contact:**

Nasir Dad, Director of Environment

**Report Author:**

Neil Crabtree, Head of Public Protection

**12 March 2024**

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### **Purpose of the Report**

To provide an update on progress of phase 1 of the Selective Licensing Scheme, which commenced in specific neighbourhoods of the Borough on 4 July 2022, and to outline the statutory consultation timescales and process prior to consideration of Phase 2 of the scheme.

### **Recommendations**

To note the update on the delivery of phase 1 and to provide any recommendations to officers regarding the proposed timescale for Phase 2 consultation.

## Selective Licensing

### 1 Background

- 1.1 Selective Licensing is a tool provided by Part 3 of the Housing Act 2004. The Council has, in the past, implemented a Selective Licensing scheme which operated in certain areas of the Borough from 2015 until 2020.
- 1.2 The purpose of a scheme is that the implementation, combined with other measures being delivered by partners, will lead to a reduction in, or elimination of, the blight of low housing demand, and therefore, lead to improvements to the social and economic conditions of the sector within certain neighbourhoods.
- 1.3 The six indicators which are assessed to determine if an area is in low housing demand are specified in the Housing Act 2004 and are:
- The turnover of occupiers of residential premises (in both rented and owner-occupied properties);
  - The number of residential premises which are available to buy or rent;
  - The length of time for which residential properties remain unoccupied;
  - The general appearance of the locality and the number of boarded up shops and properties.
  - 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 type of housing, local amenities, availability of transport).
  - Rental Yield is also considered. Rental yield is a **measure of how much cash an income generating asset produces each year as a percentage of that asset's value.** The yield is calculated by working out the annual rent for a dwelling divided by the average value for a property.
- 1.4 A Selective Licensing Scheme can only be in operation for a maximum 5-year period.
- 1.5 To examine the outcomes of the scheme implemented between 2015 –2020, and to examine whether the scheme needed to be renewed, an independent review of the low housing demand indicators was undertaken. The indicators were collated and analysed at ward level and at Lower Super Output Level (LSOAs). It is important to collate and analyse at LSOA level as this provides information for a smaller geographical area than at ward level. It would not be accurate to state a ward has low housing demand when the statistics relating to low demand relate to one or two smaller geographical areas (LSOAs) within the whole Ward.
- 1.6 The outcome of the independent review was that, when measured against the factors that indicate low housing demand, of the 16 LSOAs contained within the 2015 - 2020 Selective Licensing Scheme, 2 areas had deteriorated, 6 areas had shown improvement and 8 areas had stayed the same. Further areas were also identified as exhibiting indicators of low housing demand. In total, this independent review highlighted 21 areas as showing low housing demand.
- 1.7 Following the review, a robust consultation was carried out. A report was provided to Cabinet in March 2022. This report detailed the review and consultation outcomes and the available options to intervene in the areas identified. One of the intervention options was the designation of a new Selective Licensing scheme

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1.8 Cabinet approved a Phase 1 and Phase 2 Selective Licensing approach. Phase 1 was to implement a Selective Licensing scheme commencing on the 4 July 2022 in the recommended locations. The Phase 2 element of the decision was to carry out another statutory consultation to identify further locations, which were exhibiting low housing demand. It was agreed that this would take place once delivery of Phase 1 had commenced.

1.9 Phase 1 came into operation on 4 July 2022.

## 2 **Current Position**

2.1 Phase 1 has been in operation since 4 July 2022. Phase 1 consists of 5 designated areas within the wards of Medlock Vale, St Marys, Werneth, Waterhead, Alexandra, Chadderton South and Hollinwood. It affects approximately 1,800 private rented properties.

2.2 A team of 4 Officers (2 X Housing Technical Officers and 2 X Selective Licensing Support Officers) has been recruited and is actively delivering Phase 1 of the scheme.

The scheme, as it was approved, is being delivered by:

- Intelligence gathering to identify all private rented properties within the designated areas
- Ensuring complete applications are received and processed
- Issuing the licence when the applications and supporting documents have been verified
- Licensed properties are inspected to ensure landlords (licence holders) are complying with the relevant management and property standards
- Referrals are made to the Neighbourhood Environmental Health team where significant defects are identified, or landlords have failed to remedy specified defects
- Exploring the use of civil penalties should landlords fail to licence or comply with licence conditions
- Ongoing relationship building with landlords/managing agents
- Continuing to work with the Councils internal and external partners

2.3 Pre-booked appointments are available for landlords to contact the team for assistance in completing the licence application and for any other general advice.

2.4 An online application and payment system has been sourced, procured and in operation. The system enables applicants to:

- Complete an application
- Upload safety documents
- Pay the relevant licence fees
- Check the status of their application
- Update details and upload new safety documents

The online system enables officers to:

- Process applications
- Create licensing documents
- Review documents submitted
- Carry out a condition audit
- Monitor, review and report the status of individual properties and the whole scheme

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2.5 A Selective Licensing web page, link below, has been developed. This provides:

- Guidance, including documents needed, fee levels and safety advice
- Access to the online application
- Access to the public register of licences
- A mapping tool to identify if a property requires to be licensed
- Contact details for the team
- Documents and information on why selective licensing is being used as an intervention tool in certain areas

[https://www.oldham.gov.uk/info/201198/help\\_for\\_landlords/1450/selective\\_licensing\\_of\\_private\\_landlords](https://www.oldham.gov.uk/info/201198/help_for_landlords/1450/selective_licensing_of_private_landlords)

2.6 A mobile condition audit software system has been procured, tested and is in use. This enables Officers to audit licensed properties efficiently, consistently and effectively. The purpose of the audit is to ensure the licence conditions are being complied with. It is intended that every licensed property will receive an audit. Due to the success of the mobile solution, it is likely this will be rolled out to all officers who carry out housing inspections.

2.7 Officers also cross reference previous intelligence and current databases to determine which landlords have not applied for a licence. A landlord who has failed to licence receives one warning letter. Warning letters are being sent on a phased approach.

2.8 Landlords who fail to apply for a licence following a warning letter will receive the Councils intention to issue a civil penalty. A civil penalty can lead to a maximum fine of £30,000. The process of issuing a civil penalty is in place.

2.9 The table below provides the current status of the scheme:

Number of applications	582
Number of Draft Licences issued	424
Number of Final Licences issued	407
Licence Fees received - Part 1 Application Fees	£196,778
Licence Fees received - Part 2 Monitoring Fees	£95,213
Number of Warning Letters sent	193
Number of Condition Audits	220
Number of referrals to Env Health for Formal Action	23
Number of Civil Penalties for failure to Licence/breaches of Licence conditions	0

### 3. Phase 2 statutory consultation timescales

3.1 Officers have been successful in attracting £75,000 through the 'Greater Manchester Combined Authority Good Landlord Scheme' for development of the data analysis and statutory consultation required as part of the Phase 2 scheme. The funding enables a review of the areas identified as exhibiting low housing demand that will make up a Phase 2 proposal and the delivery of a robust consultation exercise.

3.2 The outcome of the review and consultation for Phase 2 may be the designation of additional selective licensing areas. If this is the case, it is likely that the combination of the designated areas in Phase 1 and 2 would add up to approximately 40% of the total private rented sector of the borough being in a selectively licensed area.

- 3.3 Previously, central government approval via the Secretary of State would be required to implement a scheme of this size. However, this approval function has now been devolved to the Council, and has to be taken in consultation with the Greater Manchester Combined Authority and the Mayor of Greater Manchester.
- 3.4 Subject to the review, consultation and decision from Cabinet, if the total designated area is more than 20% of the private rented stock in Oldham, the Council is likely to be the first to go through the consultation process with the GM Mayor for the introduction of a scheme of this size in Greater Manchester.
- 3.5 The proposed timescales for phase 2 are set out below.

PROCESS	TIMESCALE
GMCA funding received	February 2024
Procurement of consultant to carry out review and consultation.	February 2024
<p><b>Consultant process:</b></p> <ul style="list-style-type: none"> <li>• Updating evidence base</li> <li>• Development of consultation document</li> <li>• Design and organise consultation process</li> </ul> <ul style="list-style-type: none"> <li>• Mailshot/local distribution</li> <li>• Analysis of responses and production of final report</li> </ul> <p>(25 weeks to complete to include the statutory 10 weeks minimum)</p>	<p>Commence March 2024</p> <p>Commence May 2024</p> <p>Completion by end August 2024</p>
Review of report and production of Cabinet report	September 2024
GM Mayor's consultation	September 2024
Cabinet decision	November 2024
If decision to implement phase 2 Selective Licensing, this requires publication over a further 3-month period before the scheme becomes operational.	December 2024 – March 2025
Phase 2 implementation	March 2025

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#### 4 **Key Issues for Overview and Scrutiny to Discuss**

- 4.1 Note the progress achieved as part of Phase 1 Selective Licensing scheme  
Note the proposals and timelines outlined for Phase 2 expansion

#### 5 **Key Questions for Overview and Scrutiny to Consider**

- 5.1 Share views/thoughts about the Phase 1 scheme to date and proposal for Phase 2 of the scheme  
Note the devolved powers for approval of the scheme

#### 6. **Links to Corporate Outcomes**

- 6.1 The scheme ensures that landlords are taking ownership and fulfilling their responsibilities through education and, where necessary, enforcement. Better managed properties also ensure that tenants are acting with respect for their neighbours, which, in turn, builds a more positive community where residents want to stay and be proud of. The Council, by implementing a Selective Licensing Scheme, is doing its part to ensure the following:-

- Improvement in property standards
- Improvement in the management of the property
- Landlords, tenants and residents are educated, encouraged and enforced against, to take responsibility and ownership, and therefore, creating better properties, better choice and a place where people choose to live and bring up their families

#### 7 **Additional Supporting Information**

- 7.1 The use of an online application process has contributed to a less burdensome and less complicated system for those landlords who want to apply using this approach. The online system enables direct payment, provision of safety certificates and is linked to a condition audit application which assists officers in the inspection process. The system is also able to monitor and administer licensing applications, meaning resources can be used to tackle the poor landlords who are not complying with the requirements of the scheme.

- 7.2 Previous experience of the selective licensing scheme is enabling the team to ensure that all strands of the scheme are working in parallel to each other, these are:

- Determining properties that require a licence
- Encouraging applications
- Processing of applications
- Undertaking condition audits
- Taking formal action where there is non-compliance.