

REPORT TO: Housing and Safer Policy and Performance Board

DATE: 9th March 2026

REPORTING OFFICER: Director of Public Health

PORTFOLIO: Housing and Environmental Sustainability

SUBJECT: Private rented sector – proposal to introduce selective licensing in 6 areas.

WARD(S) Central and Westbank
Appleton
Mersey and Weston
Bridgewater
Highfield
Halton Lea

1.0 PURPOSE OF THE REPORT

1.1 The purpose of this report is to set out the proposal to introduce selective licensing of private rental properties in 6 areas of the borough and commence public consultation on this scheme.

2.0 RECOMMENDATION: That:

- 1) the report be noted;
- 2) The Board endorse the proposal to introduce selective licensing in 6 areas of the borough and for detailed scheme documents to be drawn up for consultation; and
- 3) A report be taken to Executive Board requesting approval to commence consultation on the proposed scheme.

3.0 SUPPORTING INFORMATION

3.1 In September 2022 the Environment & Urban Renewal PPB resolved to form a working party of members to consider policy to address the proliferation and standards of Houses in Multiple Occupation. This followed concerns raised by elected members about anti social behaviour and property standards.

3.2 An outcome of the working party was a borough wide study, produced by Metastreet, an external housing consultancy, to provide a detailed understanding of the condition and impacts of the boroughs entire private sector housing stock including HMO's.

3.3 In September 2024 the Environment & Urban Renewal PPB received a report

setting out the outcomes of the working party including the findings of stock condition and impacts study. The report identified that 3 wards, Central & West Bank, Mersey & Weston and Appleton had a higher than average percentage of private rental properties. The report also identified a higher incidence of property related complaints and predicted property hazards in those wards. The report recommended that future interventions to improve property standards were focussed on those wards. Members endorsed the proposal that further interventions to improve standards in the Private Rental Sector were taken forward and considered during the development of the borough wide housing strategy.

- 3.4 In December 2025 the Council adopted the Housing Strategy. During the development of this strategy the council commissioned a further study from Arc 4 to assess the evidence to support selective licensing in certain areas as a means to address member concerns around property standards and anti-social behaviour.
- 3.5 Under the Housing Act 2004 a local housing authority can designate all or part of its area as subject to selective licensing. Within that area all private rental properties must be licensed by the local authority. There are a limited number of exemptions including larger HMO properties that are already subject to mandatory licensing.
- 3.6 The purpose of selective licensing is to address specific problems defined within the Act. These problems are:
 - Low Housing Demand
 - Anti- social behaviour
 - Poor housing conditions
 - High levels of migration
 - High Level of deprivation
 - High level of crime
- 3.7 In December 2024 the government introduced a new general approval removing the need for local authorities to seek approval from the Secretary of State for licensing schemes of any size. Previously schemes including more than 20% of the council's housing stock required government approval.
- 3.8 However, all selective licensing schemes must still comply with the statutory requirements set out in the Housing Act. Designations relating to Housing Conditions, Deprivation, Migration and Crime may only be considered in areas with a high proportion of housing in the private rental sector. This is currently set at 19%.
- 3.9 The local authority must consult stakeholders including tenants, landlords and agents for a period of at least 10 weeks and consider the responses to this consultation in any final scheme.
- 3.10 The review of evidence undertaken by Arc4 identified 4 wards with a high percentage of private rental property (over 19%). These wards also ranked highest when assessed against 18 indicators for poor property conditions,

including predicted hazards, property age (pre 1919 and pre-1944) and Energy efficiency.

- 3.11 Although the other wards in Halton have lower levels of private rental property there are some further geographical areas within these wards with levels of private rental property above 19%. These areas include 2 Lower Super Output Areas (LSOA) within Halton Lea and Highfield wards. These 2 LSOA's with high levels of private rental properties also rank highest of all LSOA's in the borough for the 18 indicators of poor property conditions.
- 3.12 Lower Super Output Areas are small geographical areas which were created by the Office for National Statistics (ONS) and are mainly used for census purposes. They enable statistical comparisons of geographical areas of similar population sizes.
- 3.13 A selective licensing scheme in these 4 wards and 2 LSOA's would seek to ensure that property conditions in the private rental sector are improved and maintained and comply with all housing standards requirements.
- 3.14 Central & Westbank, Appleton and Mersey & Weston wards and the 2 LSOA's in Highfield and Halton Lea wards are also amongst the boroughs most deprived wards and LSOA's. Deprivation significantly affects health inequalities with individuals in deprived areas experiencing worse health outcomes and a higher prevalence of chronic health conditions than those in least deprived areas. A selective licensing scheme in those 5 areas would therefore seek to reduce the risk of housing being a source of health inequalities.
- 3.15 Whilst there is some evidence of higher ASB and Crime rates in Central and Westbank, Appleton and Mersey & Weston the evidence is not conclusive that ASB and Crime is related directly to private rental property in those areas. The town centres of Runcorn and Widnes are within those wards and this will account for some of the ASB and crime figures. It was also noted that ASB rates are higher in wards with lower levels of private rental property.

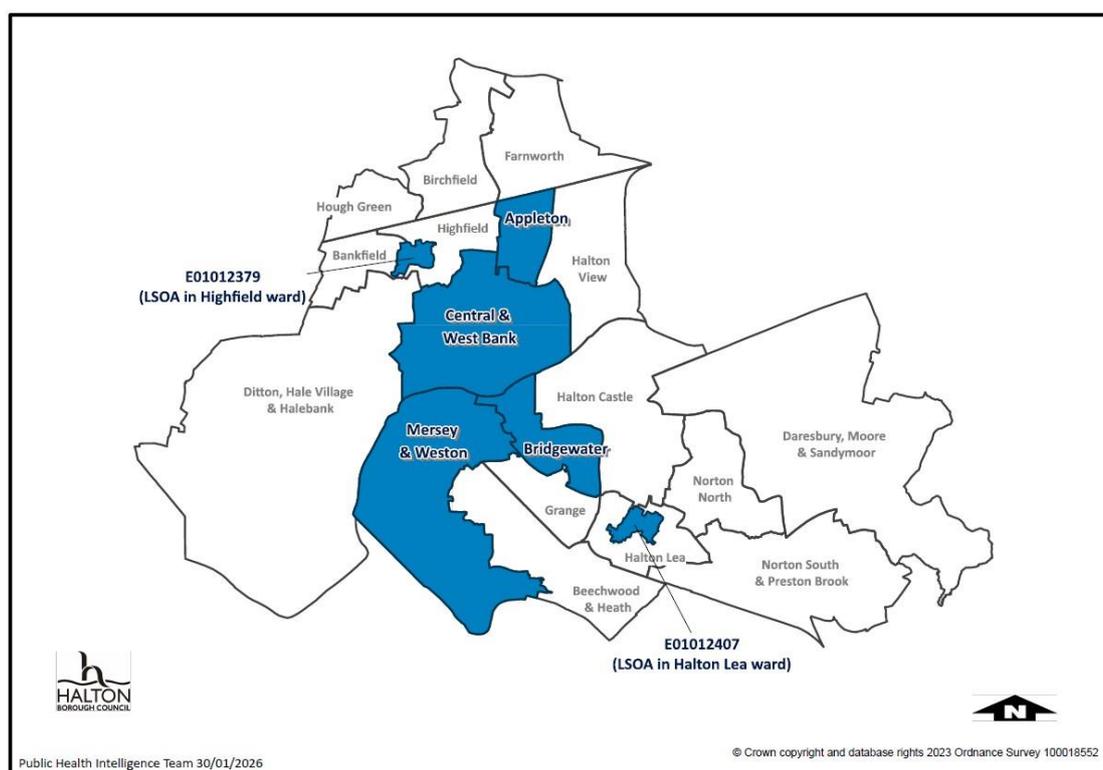
4.0 **POLICY IMPLICATIONS**

- 4.1 Based on the evidence available it is proposed to introduce a selective licensing scheme in 4 wards and 2 Lower Super Output Areas (LSOA) in the borough. Table 1 below specifies the areas proposed, the number of properties implicated and the objective for the selective licensing scheme. The map below highlights the areas to be included.

Table 1 Scheme numbers of objectives

Area	Total Properties	Total PRS	PRS%	Scheme objective
Central & West Bank ward	3060	660	22%	Property conditions Deprivation
Appleton Ward	3063	798	26%	Property conditions Deprivation
Mersey & Weston Ward	3803	1054	28%	Property conditions Deprivation
Bridgwater Ward	3439	796	23%	Property conditions
LSOA E01012379 (Highfield)	769	177	23%	Property conditions Deprivation
LSOA E01012407 (Halton Lea)	892	228	26%	Property conditions Deprivation

Map 1 Proposed selective licensing areas.



- 4.2 There is insufficient evidence at this stage to support the introduction of a scheme to address crime and anti social behaviour in any of the Councils wards. This will be kept under review.
- 4.3 The introduction of a selective licensing scheme will enable the council to proactively check private rental properties to ensure they reach the required

standard, particularly in areas with the oldest housing stock. The current system relies on tenants reporting disrepair to the council. Whilst the Renters Rights Act 2025 provides some improved tenancy protections for tenants, which will come into force in May 2026, further measures to improve property standards such as a decent homes standard are not due to come into force until 2035.

- 4.4 It is estimated there are 3,713 private rental households within the 6 areas proposed. Based on 2021 census data there are 8,019 private rental households in the borough. Therefore, the proposed scheme includes 38% of the borough's private rental households. As set out in section 3.7 the council no longer requires permission from the Secretary of State to introduce a scheme of this scale in the proposed areas.
- 4.5 Councils can charge a fee for the license which can be used to fund the scheme. Licenses remain valid for a 5 year period. It is proposed to offer a discount for properties with high energy efficiency ratings, and landlord who support the council meeting its homelessness duties.
- 4.6 Licenses will specify a number of conditions that license holders must comply with to ensure the scheme fulfils its objectives. These conditions will be set out in the consultation document. It is proposed to request that Executive Board delegate the power to determine appropriate conditions to the Director of Public Health in consultation with the Portfolio holder for Housing and Environmental Sustainability.
- 4.7 The introduction of selective licensing is a highly specialist areas of housing law. In the interests of continuity and expediency It is proposed that Arc 4 who supported the council with the production of the housing strategy and undertook the work to establish the evidence base for selective licensing be commissioned to draw up a detailed consultation document and support the consultation process. This work will be commissioned in accordance with the council's procurement protocols.

5.0 **FINANCIAL IMPLICATIONS**

- 5.1 The council can charge fees for selective licenses. These fees should be used to fund the selective license scheme. It is intended that Halton's scheme will be cost neutral in that the fees will finance the scheme without requiring additional resources. There are likely to be some up-front fees associated with set up that will be recovered from fees. A license fee of around £550 is proposed. Licenses last for a period of 5 years. Based on the number of properties subject to the scheme total income from fees over the period is projected to be around £2m this will provide £400,000 per annum for staffing and other resources to establish and manage the scheme over the 5 years.

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

- 6.1 Improving Health, Promoting Wellbeing and Supporting Greater

Independence

The proposed scheme aims to improve and maintain standards in the private rental sector to ensure housing provides a safe and healthy living environment for residents.

6.2 Building a Strong, Sustainable Local Economy

None

6.3 Supporting Children, Young People and Families

The proposed scheme aims to improve and maintain standards in the private rental sector to ensure housing provides a safe and healthy living environment for residents.

6.4 Tackling Inequality and Helping Those Who Are Most In Need

The scheme is intended to prevent housing from being a source of health inequalities by improving and maintaining the standard of private rental housing in the boroughs most deprived areas.

6.5 Working Towards a Greener Future

Ensuring that properties meet the required minimum energy efficiency rating helps to reduce greenhouse gas emissions and reduce the cost of heating homes.

6.6 Valuing and Appreciating Halton and Our Community

Improving standards in the private rental sector will contribute to safer and more attractive neighbourhoods and have a wider benefit to community safety and wellbeing.

7.0 RISK ANALYSIS

7.1 The council will need to fully consider the consultation responses from stakeholder groups to ensure any concerns raised by these parties are addressed. The Renters Rights Act 2025 prevents landlords from increasing rents above market rates which will help prevent the cost of the license fees being passed on to tenants. In any case the cost of the license fee equates to just over £100 per year and is set to recover the cost of running the scheme.

7.2 Proposals in the Renters Rights Bill to introduce a decent homes standard for the private rental sector will not come into force until 2035. This scheme will enable the Council to proactively ensure that housing conditions in the private rental sector are maintained and improved, particularly in areas with the borough's oldest housing stock. The scheme will be self financing with the costs covered by licenses fees.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 The scheme is intended to prevent housing conditions from being a source of health inequalities and is targeted at areas of high deprivation.

9.0 CLIMATE CHANGE IMPLICATIONS

9.1 The scheme will enable the council to proactively ensure that private rental properties in the license scheme area meet the required energy efficiency standards.

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

'None under the meaning of the Act.'