

**REPORT TO:** Executive Board

**DATE:** 12th 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 seek Executive Board Approval to commence the statutory consultation process on the proposal to introduce selective licensing of private rental properties in 6 areas of the borough.

## 2.0 RECOMMENDATION: That

- 1) **The Board approve commencement of the statutory consultation on the proposal to introduce a selective licensing scheme for private rental properties in the borough.**
- 2) **The Board delegate authority to determine appropriate license conditions to the Director of Public Health and Portfolio Holder for Housing and Environmental Sustainability.**

## 3.0 SUPPORTING INFORMATION

3.1 On March 9<sup>th</sup> 2026 The Safer and Housing Policy and Performance endorsed the proposal to introduce a selective licensing scheme in Halton and to seek Executive board approval to commence the statutory consultation. Any feedback from the PPB will be reported at the executive board meeting. The background to the development of the policy and the statutory requirements that must be considered are set out below.

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 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 Arc 4 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.
- 3.13 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.
- 3.14 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.

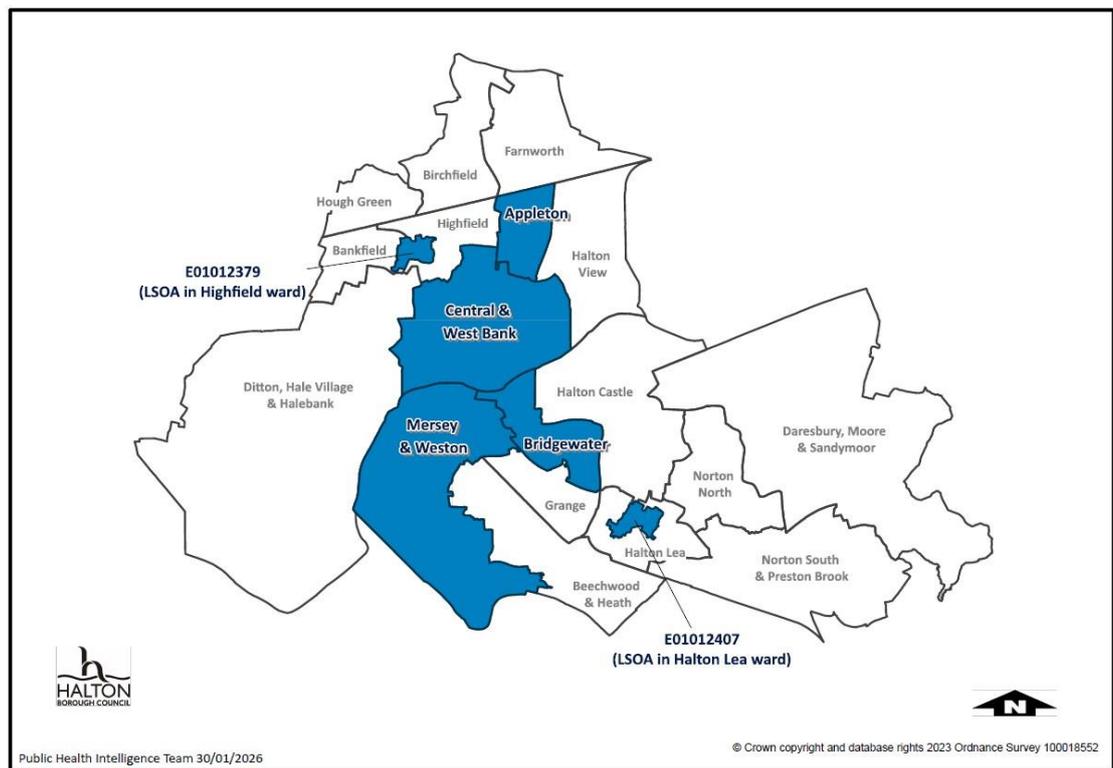
#### 4.0 **POLICY IMPLICATIONS**

- 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 he 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 boroughs 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 it 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. The Board are requested to 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.
- 4.8 Following consultation the decision to implement a selective licensing scheme must be made by full council.

## 5.0 **FINANCIAL IMPLICATIONS**

- 5.1 Additional staffing resources will be required to deliver the scheme i.e. to administer licenses, deal with complaints and referrals, inspect properties and take appropriate enforcement action. The council can charge fees for selective licenses. These fees should be used to fund the costs associated with the selective scheme. 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 gross income from fees over the 5 year period is projected to be around £2m. This will therefore provide £400,000 income per annum over the 5 year term of the licenses. This income will cover the annual cost of running the scheme. The scheme will therefore be cost neutral and will not require additional revenue funding.

## **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 boroughs 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 **REASON(S) FOR DECISION**

10.1 The scheme is required to ensure property standards in the private rental sector are improved and maintained to provide safe and healthy homes for residents. The scheme also seeks to prevent housing conditions being a source of health inequalities.

## 11.0 **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

11.1 The current regulatory regime for housing standards is reactive and relies on tenants reporting concerns about housing standards to the council. The Governments Renters Rights bill and the subsequent Renters Rights Act 2025 provide some measures to improve tenants rights, such as the removal of no fault evictions, however the onus is still on tenants to report concerns about property conditions. The government have recently published an implementation timetable for other measures within the renters rights bill and have indicated that measures to improve property conditions through a decent homes standards will not come into force until 2035 at the earliest. Selective Licensing is therefore the only option available to the council to proactively ensure that private rental property meets the required standards.

## 12 **IMPLEMENTATION DATE**

Pending approval by council it is proposed to introduce the selective licensing scheme in April 2027.

## 13 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

**'None under the meaning of the Act.'**

