

Cabinet

4 August 2026

Private Sector Licensing (Additional & Selective Licensing Schemes)

Portfolio Holder: Councillor Louwella Prenter, Portfolio Holder for Housing & Homelessness

Report from: Adam Bryan, Director of Place

Author: Becs Wilcox, Chief Housing Officer

Summary

The report seeks approval to formally commence the proposed Additional Licensing Scheme in the nominated wards (Chatham Central & Brompton, Fort Pitt, Gillingham North, Gillingham South, Luton and Watling) and Selective Licensing Scheme in the recommended wards (Chatham Central & Brompton, Fort Pitt, Gillingham North, Gillingham South, Luton, Strood North & Frindsbury and Watling). This is following the statutory consultation process as outlined in Section 56 (3) (a) for additional licensing and Section 80 (9) of the Housing Act 2004. The expected commencement period is November 2026 following Cabinet approval on 4 August 2026 (Section 82 (4) requires that the date of the selective licensing scheme must be no earlier than three months after the date on which the designation is confirmed).

This report confirms the outcomes of the completed consultation exercise and makes recommendations in relation to designation of an additional and selective licensing schemes.

1. Recommendations

1.1. It is recommended that the Cabinet:

- 1.1.1. considers and notes the outcome of the consultation process detailed in the Consultation Report (June 2026), which provides evidence of the representations received from stakeholders, landlords, letting agents/management and residents, as set out in Appendix A to the report.
- 1.1.2. notes the Council's responses to comments and representations received during the public consultation, as set out in Appendix B to the report.

- 1.1.3. under s.80 Housing Act 2004, (which allows local housing authorities in England to designate areas for selective licensing to improve social or economic conditions) agrees to the designation of a Selective Licensing Scheme in the nominated wards (Chartham Central & Brompton, Fort Pitt, Gillingham North, Gillingham South, Luton, Strood North & Frindsbury and Watling).
- 1.1.4. under s.56 Housing Act 2004 (which allows local housing authorities to designate areas for additional licensing of Houses in Multiple Occupation (HMOs)) agrees to the designation of an Additional Licensing Scheme in the nominated wards (Chartham Central & Brompton, Fort Pitt, Gillingham North, Gillingham North, Luton and Watling).
- 1.1.5. agrees to delegate authority to the Director for Place, in consultation with the Portfolio Holder for Housing and Homelessness, to make changes to the proposed administration, implementation and enforcement of the schemes where necessary and to ensure that all statutory notifications are carried out in the prescribed manner for the designations and to take all necessary steps to provide for the operational delivery of the licensing schemes.

2. Suggested reasons for decisions

- 2.1. To ensure that Cabinet has considered all options and consultation findings before deciding on whether or not to proceed with (a) new five-year discretionary Licensing Scheme/s.

3. Budget and policy framework

- 3.1. Additional & Selective Licensing contribute to the delivery of the following strategic outcomes.

One Medway Council Plan

- 3.2. This scheme will contribute to Priority 5 – Living in Good Quality, Affordable Homes, by serving as a route to drive up the standards and quality of private rented accommodation in Medway. This will be achieved through specific standards and conditions, in which the scheme will assist to hold landlords to account.

Medway Community Safety Partnership (CSP) Community Safety Plan 2024-2027

- 3.3. Tackling anti-social behaviour is one of the four strategic priorities in the CSP. Additional & Selective Licensing can help reduce anti-social behaviour (ASB) in privately rented areas by holding landlords accountable for their tenants' actions and promoting better property management practices. The scheme will also require landlords to meet specific standards and conditions which

tackle issues like poor waste management, noise, and general property disrepair, which are often linked to ASB.

Medway's Joint Local Health & Wellbeing Strategy 2024-2028

- 3.4. The scheme will contribute to achieving Priority Theme 1 (Healthier & Longer Lives for Everyone) and Priority Theme 3 (Safe, Connected and Sustainable Places) in the Health & Wellbeing Strategy.
- 3.5. By dealing with poor property conditions and anti-social behaviour, the Council will give children the best start in life, so they are happy, healthy, and safe, and have a firm foundation for their future.
- 3.6. Improving living standards and ensuring properties in the in the private rented sector are managed more effectively will prevent ill health and increase the chances of people living healthy, long and happy lives.

Housing Strategy to 2030

- 3.7. Improving the quality of homes by driving up housing standards is one of the four commitments in the Housing Strategy. The Council made an expressed commitment in the Strategy to provide support to tenants through Medway's Private Sector Housing work in determining the need for Additional & Selective Licencing, with an ambition to improve the standards in private rented accommodation.

Homelessness & Rough Sleeping Strategy to 2030

- 3.8. By building relationships with landlords, an opportunity arises to reduce the risk of evictions, reduce the risk of anti-social behaviour and ensure that the accommodation continues to be reasonable to occupy for the household by removing the risk of health and safety hazards.

4. Background

- 4.1. The Housing Act 2004 gave local authorities powers to tackle poor property conditions in the private rented sector. The Act also introduced different types of landlord licensing schemes, with mandatory licensing of Houses in Multiple Occupation (HMO), Additional Licensing, allowing local authorities to introduce licensing for a wider range of HMOs, Selective Licensing, which allows local authorities to implement licensing of all private rented properties, in order to address issues such as antisocial behaviour (ASB), poor housing quality and deprivation.
- 4.2. In December 2024, the Government removed the requirement introduced in 2015 which required local authorities to seek confirmation from the Secretary of State where Selective Licensing Schemes would cover more than 20% of their geographical area of more than 20% of privately rented homes.

- 4.3. In October 2025 ([Private Sector Licensing - Cabinet 21 October 2025](#)) Cabinet gave permission to formally commence consultation for Medway's first Additional and Selective Licensing schemes in nominated wards following the completion of a feasibility study.
- 4.4. Following due process, Transform UK were appointed to undertake the Council's formal statutory consultation and report independently on the findings. The consultation for a Medway Council Additional and Selective Licensing Schemes (in the list designated areas) between 23 March - 4 June 2026.
- 4.5. The consultation period was originally between 23 March - 31 May 2026, but due to an ICT technical issue which closed the online survey early, the consultation period was extended to 4 June 2026.

5. Options

- 5.1. Option 1 - mandatory licensing only (business as usual).
- 5.1.1. To continue to provide a mandatory licensing scheme as prescribed in the Housing Act 2004.
- 5.2. Option 2 - Additional and Selective Licensing.
- 5.2.1. Implementation of an Additional & Selective Licensing Scheme in the designated wards as prescribed.

6. Advice and analysis

- 6.1. When proposing to introduce discretionary property licensing schemes, the Housing Act 2004 requires councils to take reasonable steps to consult with all persons likely to be affected by the proposed designated schemes and areas.
- 6.2. The consultation survey questionnaire is attached in Appendix C to the report, for reference; this was available online and paper copies where requested. In addition to the survey, two Member briefings held by officers and two public consultation events held online by Transform Ltd. (Full details are outlined in Appendix A to the report.)
- 6.3. The consultation looked at the level of support for introducing an additional (HMO) and selective licensing schemes. The consultation sought views on:
- The proposed licensing conditions.
 - Associated fees.
 - Potential discounts.
 - Scheme objectives.
 - Perceptions of issues of poor property conditions and anti-social behaviour (ASB) in Medway.

Plus, views on issues within the HMO tenure, including:

- Management and maintenance.
- Health and safety.
- Overcrowding.
- Noise, nuisance and other ASB.
- Landlords' responsibilities.

- 6.4. The consultation report, as set out in Appendix A to the report, sets out in detail an analysis of the responses received to the questions in the consultation survey, this includes a summary of consultations response as well as narrative of responses received in response to free text questions.
- 6.5. It is considered that no alternatives were identified through the consultation process that would, individually or collectively, be capable of delivering the scheme objectives that the Council would deliver through the additional and selective licensing schemes proposed.

Additional licensing

- 6.6. Overall, 56% of respondents agree with the proposals for additional licensing for Houses of Multiple Occupation (HMOs) in the highlighted wards to regulate property conditions, management and to assist with tackling anti-social behaviour. 28% of respondents disagreed with the proposals.
- 6.7. 72% of residents/business in Medway and 67% of stakeholders agreed with the Council's proposals to introduce additional licensing while landlords, letting and managing agents disagreed (41%).

Table below shows the breakdown of respondents:

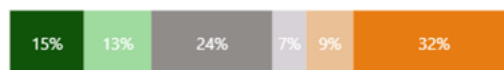
To what extent do you agree or disagree with the proposal for an additional HMO licensing scheme in the six specified wards?

● Strongly agree ● Tend to agree ● Neither agree nor disagree ● Don't know ● Tend to disagree ● Strongly disagree

As a Medway Resident or local business in Medway
(but not a landlord)



As a landlord, letting or managing agent
with properties in Medway



As another type of stakeholder

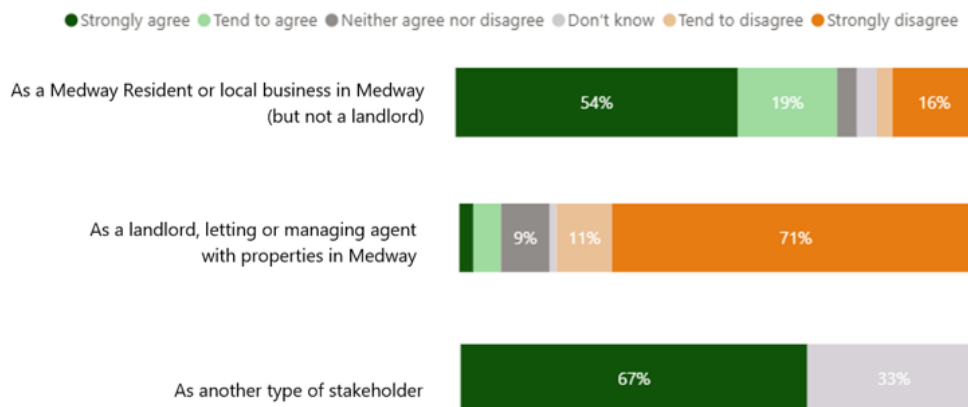


Selective licensing

- 6.8. Overall, half of respondents, 50% agreed with the proposals for selective licensing in the highlighted wards, with 41% disagreeing with the proposals – the main group of respondents who disagreed with the proposals were the landlord, letting and managing agents (73 responses of which 82% disagreed).
- 6.9. In contrast, 74% of residents or local businesses welcomed the proposals (131/209) respondents.

Table below shows the breakdown of respondents:

To what extent do you agree or disagree with the proposal for a selective licensing scheme in the seven wards?



Licensing fee

- 6.10. The Council does not intend to make any changes to the proposed licensing fee structure that has been consulted on. The proposed fee structure was calculated on the basis that the schemes will be cost-neutral to the Council, with the fees covering the costs to administrate the schemes and meeting the proposed scheme objectives. (Fees have been benchmarked against other local authority schemes.)

Licence conditions

- 6.11. A majority of respondents, 57% agreed with the proposed additional HMO licensing conditions, with only 22% of respondents disagreeing. When reviewing the responses, 74% of residents or local businesses agreed with the proposed conditions, while landlords, letting and managing agents had more mixed views with 24% of these respondents agreeing, 33% disagreeing and 43% neither agreeing or disagreeing or didn't know.
- 6.12. A majority of respondents, 51% agreed with the proposed licensing conditions, while 35% of respondents disagreed. When reviewing the responses, 70% of residents and local businesses agreed with the proposed

conditions, while landlords, letting and managing agents generally disagreed (67%).

- 6.13. Full responses to the survey questions and free text can be found in Medway Councils Consultation Report set out in [Appendix A to the report and Creating a Fairer Private Rented Sector as set out in Appendix B to the report.

7. Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
Option 1 A further deterioration in the condition and standards of accommodation within the Private Rented Sector.	Property conditions deteriorate in areas, or properties that may have been included in a licensing scheme.	To continue to review resources and approach to enforcement and mandatory licensing.	B2
Option 2 Political and stakeholder opposition	Landlords, agents and some Members may oppose the schemes, increasing scrutiny, challenge and delay.	Implement a stakeholder engagement plan, provide Member briefings, and agree clear communications lines.	B3
Affordability and supply impact	Costs may be passed to tenants or some landlords may leave the market, affecting affordability and supply.	Monitor rents, landlord behaviour and supply trends; review assumptions and align communications with the wider housing strategy. Work in partnership with all teams within Housing Needs & other relevant internal services.	B2
Reputational risk	If implementation and enforcement do not lead to visible improvements, the Council may face criticism.	Establish KPIs, report outcomes, and ensure visible compliance and enforcement activity.	C2
Operational capacity	Insufficient staffing, systems or operational readiness could weaken delivery and delay implementation.	Confirm staffing structure, training, systems, workflows and contingency arrangements before launch.	B1

Risk	Description	Action to avoid or mitigate risk	Risk rating
Consultation/legal process challenge	The premature survey closure creates a risk of legal or procedural challenge if mitigation is not fully evidenced.	Maintain a full audit trail, secure legal sign-off and document the rationale for proceeding.	B2
Displacement	Problems may shift into non-designated areas rather than being resolved.	Monitor intelligence, complaints and enforcement patterns outside the scheme area and build in review points.	B3
Financial stability	Actual costs or demand may differ from the approved model.	Validate assumptions before launch and monitor budget, income and demand regularly.	B2
ICT and systems readiness	Poor system configuration or insufficient testing could disrupt delivery.	Complete system testing (Metastreet), fallback planning and formal readiness sign-off before go-live.	C2
Landlord non-compliance	Low take-up or delayed compliance could reduce early scheme effectiveness	Implement phased communications, clear guidance and proportionate enforcement thresholds.	C3

For risk rating, please refer to the following table:

Likelihood	Impact:
A Very likely	1 Critical
B Likely	2 Major
C Unlikely	3 Moderate
D Rare	4 Minor

8. Consultation

- 8.1. The Housing Act 2004 imposes a statutory consultation requirement set out in Section 80(9). The Council must take reasonable steps to consult persons who are likely to be affected by the designation, and these must be fully considered in any representation made.
- 8.2. A comprehensive public consultation with landlords, the public and local businesses is required to be carried out for a period of 10 weeks. The consultation is to be based on a Proposal Document which will set out the issues and proposed options of Medway Council's discretionary licensing schemes.

- 8.3. Consultation is subject to the statutory requirements set out in Section 56(3) and 80(9) that both state that before making a designation the authority must:
- a) take responsible steps to consult persons who are likely to be affected by the designation; and
 - b) consider any representations made in accordance with the consultation and not withdrawn.
- 8.4. Ministry of Housing, Communities and Local Government Guidance (updated 16 December 2024)- [Selective licensing in the private rented sector: a guide for local authorities](#).
- 8.5. Other relevance guidance including House of Commons Library research briefings - anti-social neighbours living in private housing (England) and Selective Licensing of Private Rented Housing.

9. Climate change implications

- 9.1. [The Council declared a climate change emergency in April 2019](#) - item 1038D refers and has set a target for Medway to become carbon neutral by 2050.
- 9.2. If a tenant makes a disrepair claim to the Council, the PSH Team will be required to complete a Health, Housing, Safety, Rating System (HHSRS) survey as part of the investigation process. A HHSRS is the main way of assessing and enforcing housing standards. It is a risk-based assessment tool which is used to assess the risk of a hazard in residential housing to the health and safety of occupants or visitors. The HHSRS includes assessment against excess cold or heat, crowding and space standards, following assessment officers are able to prescribe a schedule of works to reduce or eliminate the risk.

10. Financial implications

- 10.1. A financial analysis was undertaken based on the recommended scheme and considered as part of the Private Sector Licensing report at Cabinet on 21 October 2026. This considered the resources required to ensure the scheme can be implemented, managed and appropriate enforcement can be undertaken.

11. Legal implications

- 11.1. Section 80 of the Housing Act 2004, local housing authorities (LHAs) have the discretionary power to designate areas within their district for Selective Licensing. This allows them to require landlords of privately rented properties to obtain a licence and comply with conditions aimed at improving property management and tenant welfare.
- 11.2. Section 56 (3) (a) of the Housing Act 2004, local housing authorities are required to complete a consultation process when they are considering a designation of an area subject to additional licensing in relation to HMOs. This

means the local authority must take reasonable steps to consult with persons who are likely to be affected by the designation.

11.3. Section 80 (9) of the Housing Act 2004, local housing authorities are required to complete a consultation process when they are considering a designation of an area subject to selective licensing. This means the local authority must take reasonable steps to consult with persons who are likely to be affected by the designation.

11.4. Section 83 of the Housing Act 2004 requires the local housing authority to publish a notice of the designation once it has been confirmed for a new selective licensing scheme. A local authority must:

- publish a notice within the designated areas within seven days of the designation being confirmed, set out at Appendix E to the report;
- notify all those consulted on the proposed designation within two weeks of the designation being confirmed.

Lead officer contact

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Appendices

Appendix A – Medway Council Consultation Report

Appendix B – Fairer Private Rented Sector – Medway Council's response to comments and representations received during the public consultation.

Appendix C – Survey questionnaire

Appendix D - Additional & Selective Licensing recommended scheme

Appendix E – License Fee structure

Appendix F – Additional and Selective Licensing scheme designation

Appendix G – Diversity Impact Assessment (DIA)

Background papers

Cabinet paper, 11 July 2023 - [Additional & Selective Licensing for the Private Rented Sector](#)

Cabinet paper, 21 October 2025 - [Private Sector Licensing - Cabinet 21 October 2025](#)