

Regulatory Committee

10.00am, Monday, 7 August 2023

Licensing Performance Targets

Executive/routine Wards Council Commitments	All
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1. Recommendations

- 1.1 Regulatory Committee is asked to note the update and the measures which will be used to benchmark performance moving forward.

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Report

Licensing Performance Targets

2. Executive Summary

- 2.1 This report sets out the steps the Licensing Service has taken to resolve the issues caused by the disruption experienced during the COVID-19 pandemic period, and the progress which it has been made since that time.
- 2.2 Prior to the effects of the COVID-19 pandemic, the service had a series of performance measures which were routinely reported to Committee. This report sets out interim performance measures for 2023/24, which are designed to provide a benchmark which will be used to determine longer-term performance measures to operate from 1 April 2024. The use of performance data and its publication is a key step in improving transparency and responding to the needs of customers.

3. Background

- 3.1 A performance framework for licensing was agreed at Committee on [2 February 2015](#).
- 3.2 Regular reports were received by Committee in the period until 2018. In 2019, an Internal Audit on Houses in Multiple Occupation (HMO) Licensing was completed and an agreed action was that the performance reporting should be updated to include HMO licensing. This work was nearing completion but was suspended when the COVID -19 pandemic altered service provision radically.
- 3.3 The key performance measures previously in place were the percentage of applications initially processed and circulated within seven days and the percentage of applications determined within 72 days.
- 3.2 As reported previously, the Licensing Service worked from home from March 2020 until February 2022, with the exception of the Taxi Examination Centre which reopened in July 2020. Demand for advice from the service increased with over 800 customer contacts per week via telephone, combined with on average 1,000 emails per week. The statutory timescales for dealing with applications were extended, reflecting the challenges of service delivery during that period.
- 3.3 The service also took on additional responsibilities for processing and issuing outdoor permits, accepting applications, processing and paying out business grants

for Taxi and Private Hire Operators, as well as carrying out property inspections to support housing Ukrainian refugees. This additional work enabled businesses to operate and to continue trading.

- 3.4 However, the additional workload impacted on service delivery and directly to the backlog which was previously reported. A backlog of over 18,000 applications existed in February 2022 when the staff group returned to the office, and it has taken until April 2023 for the service to clear this workload. Updates have been provided to Committee in the business bulletin on progress in addressing the backlog during this period.

4. Main report

Licence Numbers

- 4.1 In the year prior to lockdown (2019/20), 24,020 businesses were licensed and in the year post-lockdown (2022/23) 23,632 business were licensed. This is a decrease of 1.6%. Licence holders may submit more than one application if there is a variation or other change during the year.

	Total licence holders as at 1 April each year	Applications submitted in the year
2019	23,612	21,127
2020	24,020	19,818
2021	15,466	14,559
2022	18,165	18,443
2023	23,632	18,862

- 4.2 The above table shows the number of licence holders per year and indicates that there has been a 30% increase in licence holders in the past year, with the number now just under the pre-lockdown figure. This reflects the scale and amount of work undertaken to clear the backlog and puts the service on a stronger footing for the remainder of this financial year.
- 4.3 Demand on the service varies throughout the year, with significant peaks in applications around the months which have major festivals or events. Additionally, key renewal dates can also cause peaks (for example, when all HMOs are renewed in December of each year). Management of these variable service demands is a key priority for the service.

Future Demand

- 4.4 It is expected that the full introduction of Short Term Let (STL) Licensing will generate several thousand more licence applications per annum. This takes account of the extension to the deadline for existing operators to apply for a STL Licence by 1 October 2023. The service expects a conservative estimate of

applications to be a minimum of 4,000 applications, which would result in an increase in the overall workload of the service by 17%.

Service pressures and projects

- 4.5 The HMO inspection programme was paused at the beginning of lockdown and, at present, inspections have only resumed for new properties, or where there is a serious concern about an existing HMO property. In the interim, the staff group which would normally inspect properties has been assisting with addressing the backlog in applications. Plans are progressing to reintroduce HMO inspections during autumn 2023. The inspections will be carried out using a risk-based model and will involve inspecting 5,500 properties over a three year period. Recruitment is also underway to fill vacancies which arose during the period inspections were paused.
- 4.6 Other factors which will affect the service in the current year will be relocating the Taxi Examination Centre from Murrayburn to South Gyle, with an estimated completion date of April 2024. This is a significant project, with an anticipated cost of £1.56M, and mitigations will be necessary to minimise any disruption to service during the relocation.
- 4.7 It is anticipated that a review of the organisational structure of the service will commence in this current financial year with a particular focus on the changes necessary to improve customer service, and ensure that long term resources are in place to sustain the additional demand from STL licensing, and also deliver the integrated service at the new South Gyle facility.

Interim Performance Measures

- 4.8 Given the variables of a projected increase in the number of applications, and the factors set out in 4.5 to 4.7 above, it is difficult to set long term performance measures at this point. In the interim, it is therefore intended to use the following indicators as the basis of performance monitoring during 2323/24. These will be used to inform setting robust and stretching targets for 2024/25 and beyond.
- 4.8.1 Number of applications received;
- 4.8.2 Number of applications considered within 12 weeks (target: 100%);
- 4.8.3 Average time taken to determine applications;
- 4.8.4 Number of HMO inspections carried out by the Licensing Service; and
- 4.8.5 Number of new STL licence applications determined.

Customer Engagement

- 4.9 The service is committed to achieving consistent and sustained high standards of performance. Work is underway to ensure that future service delivery will meet demand, and improvements will include:
- ICT improvements;
 - Improved and increased communication with trade groups; and
 - Regular customer satisfaction surveys.

4.10 The engagement with trade groups and feedback from customers will be used to inform performance measures which will be developed for 2024/25 onwards.

5. Next Steps

5.1 Performance will be measured during the year and reported to Committee.

5.2 Work will continue on the improvements set out in paragraph 4.9.

5.3 Performance measures for 2024/25 onwards will be developed and reported to Committee.

6. Financial impact

6.1 There are no financial impacts arising from this report. Where costs are shown these are contained within existing budgets.

7. Stakeholder/Community Impact

7.1 The service will engage with stakeholders as explained in paragraph 4.10 above.

8. Background reading/external references

8.1 None

9. Appendices

9.1 None