



# Havering

L O N D O N   B O R O U G H

## Houses in Multiple Occupation Additional Licensing Scheme

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# The Consultation

Starting in May 2017 we formally consulted on 2 Additional licensing scheme options:

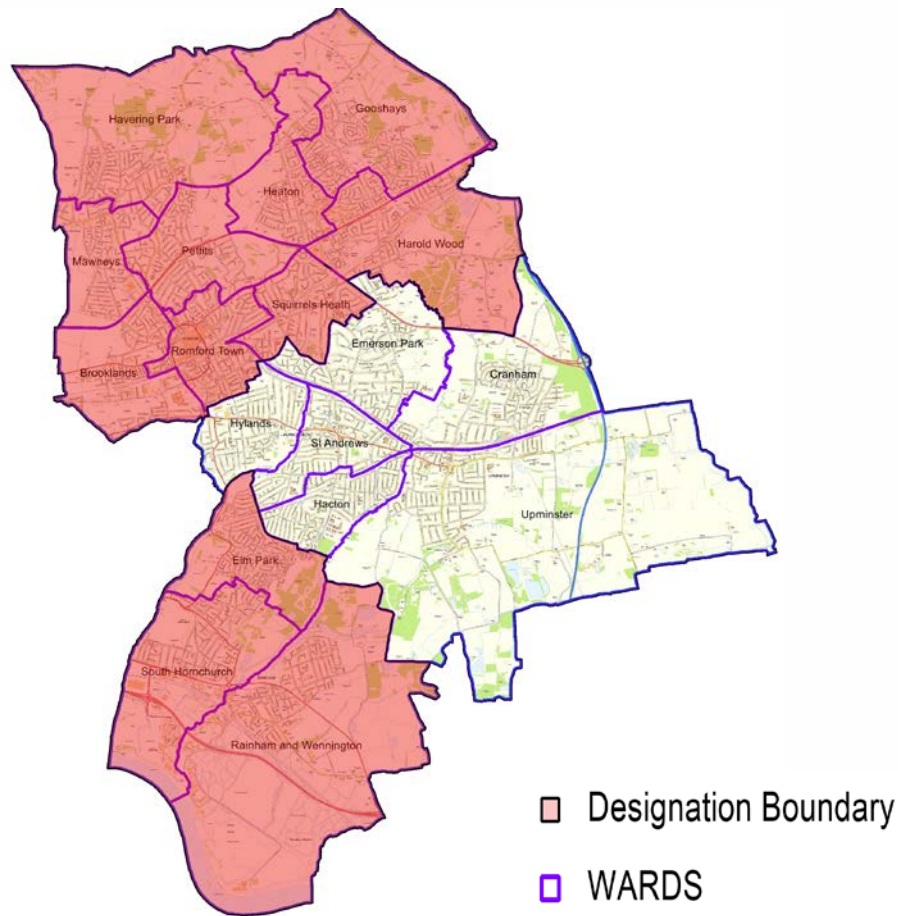
- (1) a 12 ward scheme
- (2) a 4-ward scheme
- Over 75% of respondents were in favour of a 12-ward additional licensing scheme
- Only 6% supported a smaller 4 ward scheme
- 19% against any form of licensing



# The Designation

- On 11 October 2017, following Cabinet approval, a designation was made for an for Additional HMO licensing scheme covering 12 wards
- Six wards not covered by the designation are as follows:
- Cranham, Emerson Park, Hacton, Hylands, Saint Andrews, Upminster

# Wards covered by the Designation



- Brooklands
- Elm Park
- Gooshays
- Harold Wood
- Havering Park
- Heaton
- Mawneys
- Pettits
- Rainham & Wennington
- Romford Town
- Squirrels Heath
- South Hornchurch



# What properties will be covered by the scheme?

- An HMO can be defined as a building or part of a building which is occupied by three or more persons who form two or more households and who share facilities (kitchen, bathroom or toilet)
- Mandatory HMO Licensing will continue to operate throughout the borough in respect of any 3 storey HMO with 5 or more occupants
- Additional Licensing will cover all other HMO's within the designation area.

# When do Landlords need to Apply?

- Landlords can apply now (early bird fee discount applies until 28 February 2018)
- The scheme can not 'go live' until at least 90 days from the date the decision was made. For that reason no licenses will be issued before expiry of that period (10 January 2018) BUT applications can be made before then.



# What will a Licence Cost?

- Standard licence fee is £900 per property
- Fee is split and can be paid all at once or in two parts:
- Part A fee of £550 must be paid at time of making the application (discount of £137.50 is made before 1 March 2018)
- Part B fee of £350 to be paid once decision to licence is made but before Licence is issued (£35 discount for accredited landlords)

# How has the scheme been publicised?

- Public Notices published fortnightly in the Romford Recorder and the Havering Post from October to December (six issues each).
- Public Notices displayed in all Havering Libraries and in main Council Office buildings.
- Direct mail to Landlord Organisations, Law Centres, Solicitors, Estate & Letting Agents
- Proposal for extensive publicity and poster campaign starting January 2018





# How will applications be processed?

- Application forms can be downloaded from Havering Website
- New software system under development to enable online applications and payments and back office processing functions (should be operational by December 2017)
- Recruitment process for new staff started



## After 1 March 2018

- All HMOs in the area will require a licence by 1 March 2018
- Estimate that this will be up to 800 properties
- It will be a criminal offence to rent out any HMO within the designation without a licence
- Enforcement will start from 1 March 2018
- Prosecution with an unlimited fine or...
- simple cautions or...
- civil fixed penalty notices



# Effective licensing schemes

- Robust enforcement against those that try to avoid licensing is **key**
- Creates a financial deterrent for criminal landlords
- Increases the number of licence applications and income
- Once licensed the council can monitor properties to ensure compliance with licence conditions
- Can prosecute or issue civil penalty notices for breach of conditions



# Civil Penalties

- Housing and Planning Act 2016
- The new powers enable local authorities to issue civil penalties for offences where landlords fail to repair, manage or improve their properties when required to do so by the Council.
- The civil penalties also relate to offences including but not limited to:-failing to licence houses in multiple occupation (HMOs), contravention of an overcrowding notice and failing to comply with HMO management regulations.



# Civil Penalties cont'd.

- Can be used throughout the Borough and private rented sector (not just HMOs)
- Up to £30,000
- Used instead of prosecution
- Allows the Council to keep the fine but £ ring fenced for enforcement activities within the private rented sector



# Future Licensing

- Scheme will be reviewed regularly
- May extend Additional licensing if evidence of a shift of problems to other parts of borough
- Selective licensing (rental properties other than HMOs) not ruled out in future, will depend on evidence available and success of Additional licensing scheme.



# Future Licensing(2)

- Currently there is not enough evidence to be able to legally justify a selective licensing scheme in Havering
- The legal evidence bar is set quite high e.g. there has to be more than 19% of the housing stock in the private rented sector
- As the private rented sector is predicted to grow in Havering, the evidence may support further licensing schemes in the future

# Further Information

- **Website** [www.havering.gov.uk/landlordlicence](http://www.havering.gov.uk/landlordlicence)

Contact us -

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