

Appendix 2

Consultation Results Summary Report PRS Additional Licensing Scheme

Contents

1. Introduction

2. Consultation Activity undertaken

3. Summary of Survey Results

4. Table 2: Council's response to key issues raised by respondents

5. Conclusion

1. Introduction

Legislative requirements as set out in Section 56(3) of the Housing Act 2004 states that: “when considering making a designation for additional licensing, the local authority must:

- (a) Take reasonable 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- (b) Consider any representations made in accordance with the consultation and not withdrawn.”

The following sections demonstrate how these requirements have been met and the results of the consultation.

2. Consultation Activity Undertaken

The minimum consultation period required for the designation to fall within the “Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of other residential accommodation (England) General Approval 2015” is ten weeks.

This consultation commenced on 19 May 2017 and continued for the minimum statutory period of ten weeks, ending at midnight on 28 July 2017.

The Council's proposals were summarised in a consultation document that was made available in the consultation pages of the Council's website and in paper format in each of the borough's libraries and in key Council offices. Responses to the proposals were invited via an online survey/questionnaire (hard copies were also available on request) and through individual written reply by letter or email.

The consultation was publicised in the following ways:

- Email or letter sent to all estate/letting agents who carry out business in Havering (as listed on Rightmove)
- Direct mail out to all known landlords, letting and managing agents (sourced from Council tax & benefit records and Public Protection database)
- Email to people registered for the LBH Newsletter
- Letters sent to all residential premises in Havering via housing benefit Mail out (110,000 copies)
- Letters sent to landlord organisations such as NLA RLA,
- letters sent to tenants of all known HMO addresses in LBH
- Information posted on LBH web site
- Email to registered providers of social housing (housing associations)
- Internal promotion of consultation to LBH councillors and staff via Global Email and posters on office notice boards
- Press release and adverts in Romford Recorder (x2)
- Publication in two separate issues of Havering Living magazine (circulated to every household in the borough)

- six informal drop in sessions held throughout the consultation period in various locations within the borough
- letters sent to all neighbouring local authorities
- Promotion via LBH Facebook pages and Twitter
- letters sent to statutory authorities (fire authority, citizens advice bureau)

In order to ensure that publicity relating to this consultation reached other businesses operating outside of the Borough who may be affected the Council also engaged the services of London Property Licensing (LPL) to raise awareness of the licensing consultation amongst landlords, letting agents, property investors, local authorities and businesses associated with the private rented sector. This was achieved by publicising and promoting the consultation via their website and newsletters.

Activities undertaken by LPL to promote this consultation included advertising on the LPL latest events webpage, promotion in the events section on the LPL home page, the LPL Havering borough page and the six nearby borough pages for Barking & Dagenham, Hackney, Newham, Redbridge, Tower Hamlets and Waltham Forest. The licensing consultation was also promoted in the LPL newsletters.

Online Discussion Forums provided a platform for further publicity about the consultation and on 22/06/17 information about the licensing consultation was posted in the Facebook HMO Discussion Group (4,570 members), the Facebook HMO Group (Official) (12,697 members) and the LinkedIn Estate Agent Networking Group (13,525). Then on 22/06/2017 information about the licensing consultation was posted in the Property Tribes public forum where there is a specific 'Property Licensing in London' discussion thread. By the end of the consultation period the discussion thread had attracted over 5,800 views.

3. Summary of Survey Results

Full responses to the online survey were received from 162 participants. Survey responses were representative of every electoral ward across the borough and some outside the borough, which suggests the consultation coverage was successful.

Figure 1 below indicates how this number was represented by the various tenure groups (note, some respondents' selected more than one category)

Figure 1

| Survey Responses Received | | |
|---------------------------------------|------------|----------|
| Category | No. | % |
| Owner Occupier | 118 | 74.84 |
| Private Tenant | 14 | 8.81 |
| Social Housing Tenant | 6 | 3.77 |
| Landlord | 26 | 16.35 |
| Letting/Managing Agent | 2 | 1.26 |
| Business owner or manager in Havering | 2 | 1.26 |
| Total | 168 | |

Figure 2 summarises the responses received to key questions about the propped extent of the scheme, suggested fee charges and discounts and key licence conditions.

Figure 2

| In favour of following extent of scheme | | | In agreement with proposed part A charge* | | In agreement with proposed part B charge | | In favour of Proposed Discounts | | | | 12 month licence for LL of concern | | Proposed Licence Conditions (average of 4 questions) | |
|---|--------|---------------------------|---|----------|--|----------|---------------------------------|----------|---------------------|----------|------------------------------------|----------|--|----------|
| 12 Ward | 4 ward | Against licensing schemes | Yes | no | yes | no | Early Bird | | accredited landlord | | agree | disagree | Agree | disagree |
| | | | | | | | yes | no | yes | no | | | | |
| 115 (75%) | 9 (6%) | 30 (19%) | 73 (72%) | 29 (28%) | 112 (72%) | 43 (28%) | 95 (66%) | 49 (34%) | 109 (73%) | 39 (27%) | 148 (93%) | 11 (7%) | 109 (82%) | 24 (18%) |

*Changed question after survey went live so 51 respondents did not answer this question

Figure 3 summarises other feedback received in relation to the consultation.

Figure 3

| Other feedback * | Total no. of responses received | Indicated overall supportive of | | Against licensing | Response was non-specific | Reaction to proposed fee | | | |
|---------------------------|---------------------------------|---------------------------------|----------|-------------------|---------------------------|--------------------------|----------|---------|------------|
| | | 12 wards | 4 wards | | | Acceptable | Too high | Too low | Not stated |
| Drop in sessions | 33 | 19 (58%) | 11 (33%) | 3 (9%) | 0 | 11 (33%) | 21 (64%) | 1 (3%) | 0 |
| Emails/Letters | 19 | 7 (36%) | 2 (11%) | 2 (11%) | 8 (42%) | 1 (5%) | 4 (21%) | 0 | 14 (74%) |
| Key stakeholder responses | 5 | 2 (40%) | 1 (20%) | 2 (40%) | 0 | 0 | 2 (40%) | 0 | 3 (60%) |

* note: some respondents may also have participated in the online survey so cumulative results of all feedback received would not provide an accurate picture

4. Council's response to key issues raised by respondents

In addition to the online survey, general comments about the proposed licensing scheme were received in the form of emails/letters and via the face to face drop in sessions. A total of 24 email submissions were received which included 5 responses from key stakeholders. Many of the responses covered similar issues about the proposals and a number of themes emerged as follows:

- Licensing will penalise good landlords unfairly
- Licence fee charges
- Licensing will lead to a reduction in HMO properties in the private rented sector
- The scheme will not address the issue of bad landlords
- Licensing will not address ASB
- LBH already has powers to improve the PRS
- More training and support is required for landlords
- What alternatives to licensing has the Council considered
- Does the Council have the capacity to administer the scheme
- Why is there no proposal for a borough- wide HMO licensing scheme
- Licensing could have a negative impact on some tenants
- Licence Conditions
- Public Register of Licence Holders

The responses to the consultation have been collated and summarised in Table 1 below, which sets out the key issues raised together with the Council's consideration and response to each one.

Table 1

| Respondent | Consultation Representation | Consideration | Response |
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| Licensing will penalise good landlords unfairly | | | |
| Landlord | As always it is the compliant landlord who is affected by the schemes. They pay the high fees involved but do not need regulation of this kind. | Rejected | The proposed scheme has been designed to provide a 'light touch' for 'good' landlords'. The Council has reviewed its' inspection proposals and decided not to require a pre-licence inspection for previously declared HMO's. It will also allow landlords to self-certify. Criminal landlords will be subjected to additional costs and fees through reducing the length of licence to reflect the cost of requiring more scrutiny of their properties and business practices |
| Landlord | If more and more legislation is aimed at HMO landlords, it is the good ones that eventually it all becomes too onerous for and not the unprofessional unscrupulous ones who ignore legislation anyway | Considered and rejected | As stated above, the Council intends to apply a light touch approach for reputable landlords. The Council has put in place resources to take a robust approach to finding and penalising unlicensed and non-compliant landlords. |
| Licence Fee Charges | | | |
| CAB | One concern we would have is that the proposed fees and charges could be passed on to the tenants in the form of an increased rent. Housing in 2016/17 has become our second largest enquiry area after welfare benefits, 1552 in number or 16% of our total. | Considered and Rejected | There is no evidence in other boroughs where licensing has been implemented that fees have directly resulted in higher rents. Landlords tend to set rents based on market rates which are determined by tenant affordability. The proposed fee charge equates to £3.46 per week, Without any discount being applied. |

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| Landlord | I strongly object to the proposed fee structure. This represents a very high cost to landlords and is a significant portion of their profit margin | Rejected | On the basis of a 5 roomed HMO generating rental income in excess of £2,000 per month the council does not accept that the cost of a licence at £3.46 per week will have a significant effect on HMO landlord profits. It is also tax deductible |
| Landlord | Fees are too high/licence fees are a form of income generation | Rejected | Reports on expenditure from the licensing scheme are available, and will be part of the cabinet report submitted for members' consideration of the scheme. |
| Landlord | Charging landlords for licenses is perceived to be a good money-making racket, just another form of income generation/tax gathering exercise. | Rejected | Licensing fees are ring fenced for the administration of licensing and for monitoring of licensed properties to raise accommodation and management standards in this sector |
| Landlord | This licensing is all about money and additional income for the Council | Rejected | As stated above, income generated from licence fees can only be used for activities associated with the running the licence scheme |
| RLA | The cost of the additional licence is a matter of concern for the RLA. The proposed charges of £900 to £1180 for a new licence is excessive, even for London. We would like to remind the council that these costs should be limited to the costs of administering the licensing scheme but not the cost enforcing the scheme, i.e. investigating and prosecuting those who operate premises without the required licence, and fees must be reasonable and proportionate. Based on option 2, this will place Havering above the current average | Considered and disagree | The proposed combined license fee for the wider scheme is £900 per property without any discounts being applied. This fee is well within the average range of HMO licence fees being charged across London. In respect of charges that can legally be made, the Council wishes to point out that it intends to apply a split fee model where the Part A fee element will only cover the cost of administering the scheme and processing the licence application. The Part B element of the fee however can be used to carry out activities associated with the monitoring and enforcement of the scheme. It is agreed that fees cannot be used for other enforcement activities outside of the licensing scheme. Option 2 is a very small scheme and to accommodate set up costs and remain cost neutral the fee charge would be higher |

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| NALS | <p>additional licensing fee in London, which is around £1000 per property based on occupancy of five people (source: London Property Licensing, 2017)</p> <p>In developing a schedule of fees we would encourage the council to offer a discounted fee if the licence holder or designated manager is accredited through an approved scheme. We think the discount should be linked to the accreditation of landlords and letting agents, regardless of whether it is the licence holder or designated manager who is accredited.</p> | Agree | <p>than the council would like. Option 1 would allow for a more acceptable fee.</p> <p>The Council is intending to offer a discount to license holders who are accredited landlords</p> |
| Licensing will lead to a reduction in HMO properties in the private rented sector | | | |
| Landlord | The Councils policy will prevent new entries into the market | Rejected | The article 4 planning directions that were implemented in July 2016 are likely to have greater effect on new entries into the HMO market than licensing. |
| NLA | Areas that have seen the introduction of additional licensing have seen mortgages withdrawn. (Nat West and RBS) This could have an impact on the housing market. This could increase the cost to tenants and the council in the areas that it is introduced. What analysis has been undertaken of this and potential change to the market? | Considered and rejected | Cases where mortgages have been withdrawn are usually due to landlords not having informed lenders that properties are rented out or that they are HMO's. Some landlords have benefitted from significantly lower interest rates as a result. In other authorities where additional licensing has been introduced there is no indication that the housing market has suffered in this way as a result of licensing and the Council does not expect this to be a problem where the correct type of mortgage is already in place. |

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| Landlord | You will discourage anyone from being a landlord and thereby worsen the problem of lack of housing | Rejected | Professional landlords are unlikely to be discouraged from operating in the borough. If less professional operators decide to leave the market as a result then this would indicate that the scheme is achieving some of its objectives |
| Landlord | Licensing will have an adverse effect on investment and reduction in availability of PRS rental properties | Rejected | Havering has a buoyant private rental sector and good landlords are unlikely to be put off by licensing. It is however hoped that licensing will deter unprofessional HMO landlords from entering the market. Furthermore the high profitability associated with rental of HMOs is not expected to result in significant withdrawal from this market. |
| NLA | The cost to rent in Havering is less than central London, a policy such as this will limit the supply at the same time as price out local people, | Rejected | Havering has already seen significant migration of tenants from inner London areas in recent years due to its lower rental costs. This policy is unlikely to have a significant effect on rental values |
| The scheme will not address the issue of bad landlords | | | |
| RLA | The worst landlords- the criminal operators- will simply ignore the scheme as they do many other regulations | Rejected | The Council has in place plans to ensure a robust enforcement approach is followed in order to find and prosecute those landlords seeking to ignore the scheme. |
| Landlord | Only those who comply with current legal requirements would bother to be licensed and it will affect the wrong people | Rejected | Implementing a licensing scheme will bring forward compliant landlords and enable the council to focus its enforcement activity on the criminal ones. The licensing requirement would result in an instant offence for failure to licence for which penalties can be imposed. |
| Resident | No action is taken against criminal landlords | Rejected | The Council intends to maximise use of all powers available to it to ensure that action is taken against all criminal landlords |

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| Landlord | licensing may drive landlords of low quality HMO's underground | Agreed | The Council recognises that this is a possible consequence of licensing; however the targeting of enforcement activity against these landlords and the threat of heavy financial penalties should act as a deterrent for most. |
| Landlord | there is little use of "fit and proper person" powers to exclude bad landlords | Partially agree | The fit and proper person test is fairly restrictive and could fail to exclude certain landlords from holding a property licence but will be used wherever possible. The proposal to issue a short (12 month) licence to landlords of concern will ensure that appropriate additional fees are paid by these landlords to cover the additional cost of close monitoring and frequent inspections of some premises |
| Landlord | Experience of licensing schemes operating in other London boroughs is that they do not work and do not trap the type of landlords you are presumably looking for. | Disagree | The success of schemes operating in some other London Boroughs has proved that licensing does work if properly enforced. The London borough of Newham alone has taken over 1100 prosecutions for housing crimes since their scheme began. The London Borough of Havering will be taking a similar enforcement approach to criminal landlords. |
| Landlord | The Council will create further work and spend most of their time trying to chase up those landlords who avoid everything possible | Accepted | Monitoring and enforcing a licensing scheme will entail significant additional work and additional staff resource will be provided for this purpose. Full use will be made of fixed penalty notices and other fines to create a deterrent. |
| Landlord | Licensing schemes are impossible to enforce | Disagree | Licensing schemes are not impossible to enforce but it is accepted that an adequately resourced and skilled enforcement team will be required in order to successfully enforce the scheme |
| NALS | By intensifying activity in a small area, it will also help the council to attract a much | Considered | Havering is not proposing a large scheme (under 1000 premises) and is confident that active enforcement will |

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| | higher proportion of applications. Large additional licensing schemes do not have a good track record in this respect. for example, Brent council have received less than 10% of the expected HMO applications after two years and Kingston upon Thames have licensed no more than a third of the expected HMOs | | ensure there will be a good take up of the scheme. |
| Licensing will not reduce ASB | | | |
| Landlord | Additional licensing will not resolve many of the issues which are caused by tenants Additional regulatory burdens must focus on increasing the professionalism of landlords, the quality of private rented stock and driving out the criminal landlords- who blight the sector. | Considered and rejected | Landlords who actively manage their properties and tenancies are well placed to influence the behaviour of their tenants and could prevent some problems from escalating. Pre-tenancy vetting of prospective tenants as required under the licence conditions should also protect landlords from tenants who have a history of ASB. It is hoped that implementing an additional licensing scheme will assist in the achievement of all these objectives |
| NLA | The use of additional licensing which is landlord/property based, will not resolve many of the issues which are caused by tenants – they are tenant based issues. Landlords have limited powers on addressing these as any direct action by a landlords to address ASB could be claimed by tenant as harassment | Agreed | The Council accepts that not all tenant issues will be capable of being resolved by landlords. It does however believe that some landlords simply turn a blind eye to the obvious poor behaviour of some tenants and licence conditions will place a degree of responsibility on landlords to take reasonable steps to deal with issues that are brought to their notice. |
| NLA | Tenant problems such as anti-social behaviour are impossible for the landlord to address alone and landlords will not wish to risk a breach of licensing conditions that may affect their ability to | Considered and partially agreed | We seek to work in partnership with landlords to tackle ASB in private rented properties. Many incidents of ASB such as accumulations of refuse, litter, fly tips and noise nuisance can be traced back to poorly managed rented properties. Landlords are in a position in that they are running a |

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| RLA | <p>let properties elsewhere. Some may seek to evict already challenging tenants</p> <p>There is no obligation within additional licensing for the landlord to solve the ASB allegation, rather a landlord has a tenancy agreement with the tenant and this is the only thing that they can legally enforce.</p> | Agree | <p>business and, if not managed properly, can have a negative impact on the local community. Some simple steps landlords can take are:</p> <ul style="list-style-type: none"> -take up references -visit properties frequently and note and remedy any issues -make sure the property is not being overcrowded/sublet -appoint a trusted managing agent <p>Whilst landlords are not directly responsible for some of their tenants' behaviour, landlords should bear in mind that anti-social behaviour can damage their property, impact on its value and damage relations with neighbours. However, some poor management practices can lead to tenants acting in an anti - social way e.g overcrowding of properties. It is therefore in every landlord's best interest to address these issues if they arise and reasonable steps they can take include engaging with tenants to discuss the issues.</p> |
| The council already has powers to deal with problems in the PRS | | | |
| Property Manager | The council needs to get existing authorities into line, hit hard and use their existing powers and serve appropriate Notices where difficulties arise. | Agreed | The Council is in the process of reviewing its enforcement functions and recognises that full advantage needs to be taken of existing powers |
| Landlord | Non-compliance should be dealt with robustly and met with large fines | Agreed | Licensing as well as using new civil penalty notices ensure that offenders are dealt with robustly and appropriately |
| Landlord | Local authorities have extensive powers to deal with problem landlords, yet they are rarely fully utilised | Rejected | Existing powers are utilised however it is accepted that the council needs to take a more robust approach to enforcement as this will not only ensure that offenders are appropriately punished, but may also deter other would-be offenders. |

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| Resident | Wouldn't it be more cost effective increasing the fines on unscrupulous and non tax paying landlords etc. to stop future landlords abusing the system | Agreed | The Council intends to utilise all means available to it, including the use of new powers to impose significant fixed penalty fines on criminal landlords. |
| RLA | The RLA believes that the Council is premature in bringing forward proposals. The Housing & Planning Act 2016 which came out on 6 th April has given local authorities substantial new powers to tackle breaches of housing legislation and drive the criminal operators from the sector. The council should wait until the total impact of these new powers can be fully assessed before pressing on with more regulation in the form of licensing | Considered and rejected | The Council believes that the new powers effected under the Housing & Planning Act 2016 will be complimentary alongside a licensing scheme in dealing with private sector housing offences and driving criminal operators from the sector |
| More training and support is required for landlords | | | |
| Resident | All landlords should have to undergo some form of training/regulation etc. and need to be approved before letting out property | Partially agree | The scheme should generally encourage some landlords to undertake training or accreditation, whereas landlords of concern will be required to undertake training as a condition of their licence. |
| NLA | Landlords are usually not experienced in ASB management and there is no obligation within Additional licensing for a landlord to solve ASB allegations. A tenancy agreement is the only thing a landlord can legally enforce. | Partially agree | Landlords are not expected to solve all ASB issues however better management of HMOs can reduce ASB e.g reduction in litter and rubbish in front gardens. Landlords are well placed to raise concerns with their own tenants and, if necessary, take action in the form of eviction proceedings where tenants ignore warnings. Where tenant behaviour clauses are included in tenancy agreements they can be enforced by landlords. |

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| NLA | <p>There is a need to identify issues and assist landlords to develop the required knowledge and skills to improve the sector.</p> <p>If a landlord has problems with a tenant, how will the council help the landlord?</p> | Further advice will be provided in due course | Formal training and landlord accreditation will enable landlords to gain the necessary knowledge and skills to effectively manage their properties. The council plans to offer advice and guidance to landlords to help them to deal with tenant management related issues. |
| NLA | <p>Clarification on the council's policy, in relation to helping landlords when a section 21 notice is served, is required with the proposed additional licensing scheme. It would be useful if the council could put in place a guidance document which would outline the council's position in helping landlords remove tenants who are causing anti-social behaviour.</p> | Under consideration | The Council aims to put together a number of guidance documents to assist landlords. A landlord engagement event that is planned for later this year should help to inform the council of what aspects landlords wish to focus on. |
| NLA | <p>The NLA would like further explanation on how the council will work with landlords to mitigate the tenants that leave early but where they still have a tenancy, thus the tenant is liable for council tax but the property is empty? if a landlord has problems with a tenant, how will the council help the landlord?</p> | clarified | In the case of properties that have been converted into self contained units and separately banded for council tax purposes the tenant will be liable for Council Tax payments. HMO landlords are expected to remain liable for the payment of Council tax on all other HMOs. |
| NLA | <p>The NLA agrees that some landlords, most often due to ignorance rather than criminal intent, do not use their powers to manage their properties effectively. a more appropriate response would be to identify issues and assist landlords to</p> | Agreed | The council seeks to work with landlords to encourage training and help them develop their property management skills. A light touch approach to enforcement is intended in the case of landlords who are willing to engage and improve. |

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| NALS | <p>develop the required knowledge and skills to improve the sector through schemes such as the NLA Accredited Landlord Scheme. This can allow Havering council to target the criminal landlords. - a joint approach is required</p> <p>It is important that the council sets out clear and simple guidance on the definition of a section 257 HMO as many owners will not realise that such properties fall within the HMO definition</p> | Agreed | Guidance will be provided |
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| What alternatives to licensing has the Council considered? | | | |
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| RLA | The RLA supports a system of self-regulation for landlords whereby compliant landlord join a co-regulation scheme which deals with standards and complaints in the first instance. | Considered and rejected | Alternative schemes such as a voluntary co-regulation scheme are likely to attract only compliant landlords in a similar way to accreditation schemes. The council considers that licensing is the most effective way to successfully regulate HMOs. |
| NLA | The council should consider alternative schemes such as the Home Safe scheme in Doncaster and SEAL in Southend. Both schemes offer alternatives that the Council has not reviewed. | Considered and rejected | Although the council appreciates the benefits of such a scheme it does not consider that it will successfully deal with poor quality and poorly managed HMOs. A self-regulation scheme could be considered in respect of the wider private rented sector in due course. |
| RLA | A separate policy to tackle criminal landlords would be a more applicable in resolving issues | considered and under review | The Council is in the process of reviewing its enforcement policy to provide scope for greater penalties being imposed on criminal landlords. This policy will be used alongside enforcement activity undertaken in relation to licensing. |
| Landlord | Ideally you should bring out a scheme under which you can only let property in the borough via a recognised letting agent | considered | This is a matter for central government |
| NLA | As the council is in the process of producing a stock condition survey, why has the council produced a consultation before a report has delivered its findings? Your consultation document also does not point out how it would fit in with the strategies. | Considered and clarified | The Council is already aware of issues that exist within the private HMO market and is not reliant upon a stock condition survey for this purpose. The consultation document sets out how licensing will complement the existing Housing strategy by gaining a better understanding of the PRS, improving property standards and management practices within the sector and facilitating greater interaction with private sector landlords. |

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| NALS | It is interesting to note that having completed over 100 inspections; the council have acknowledged most cases are resolved informally without any need for legal action. As such, it is unclear why a continuation of the council's current approach, backed by the option of civil penalties for more serious offences, does not provide a more appropriate way forward. | Considered and rejected | The council does not have the resources to continue with this approach. Licensing will allow additional resources to be provided to enable the inspection of all HMO's. The use of civil penalties alongside licensing is being considered where poor management and non-compliance is identified. |
| NLA | With extensive enforcement powers already at the council's disposal, we note that the council have failed to take any landlord prosecutions under the housing act 2004 over the five year period from 1 April 2011 to 31 March 2016. Before seeking to implement new licensing schemes, we would encourage the council to utilise the enforcement powers already at your disposal and demonstrate how a step change in enforcement activity would be achieved if a new licensing scheme was introduced | Accepted | The Council's enforcement policy is currently under review. The council accepts that there has been limited private sector housing enforcement activity in recent years which is partly the result of severely limited staff resources. The opportunity to engage additional staff to administer the licensing scheme together with proposals to utilise the new civil penalties will result in a significant increase in activity in this area in the foreseeable future. |
| NLA | There is minimal reference to letting agents and their important role in effective management of the private rented sector. We would encourage the council to explore mechanisms for effective liaison with letting agents and to understand and appreciate the benefits | Accepted | Many local letting agents are not keen to become involved with the management of HMO properties. However the council will seek to improve its communications with this sector to explore the scope for greater levels of HMO management by reputable agents. |

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| NLA | <p>from encouraging landlords to use regulated letting agents</p> <p>We are surprised the council is looking at this when the government is about to introduce legislation which will cover this policy. Thus when resources are limited, why is the council doing this when the government will change the law in the coming months?</p> | Considered and rejected | <p>There is still no confirmed date when the government's proposed reform of the mandatory licensing scheme will be implemented and it is unlikely these reforms will come into effect before April 2018.</p> <p>The changes proposed will also not apply to HMOs that have less than 5 occupants and therefore will not regulate smaller HMOs, which are thought to make up around one-third of Havering's HMO stock.</p> |
| Does the Council have the capacity to administer the scheme? | | | |
| RLA | The council already has the necessary tools to tackle poor housing management and conditions in the PRS. Rather than introduce a bureaucratic licensing scheme,....it should continue to direct its limited resources at effective enforcement activity | Partially agree | The Council does not have the resources to carry out a continued programme of proactive HMO inspections. Licensing will provide additional resources to allow the council to inspect all HMO's and reveal poorly managed properties where enforcement activity may be appropriate. |
| NLA | The increase in the activity will increase the demand on the council. What provision has the council made and how much additional resource will be allocated | Agree and clarified | The Council recognises that additional staff resource will be required to administer the licensing scheme and this will be adequately resourced. |
| NALS | We note that the Council intends to inspect every HMO as part of the application process. In doing so, it is vital that the council has sufficient officers available to conduct the inspections in a timely manner | Agree | The Council will review this proposal to ensure adequate resources will be provided to ensure licenses can be issued in a timely manner. |

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| NLA | <p>The introduction of additional licensing will require resources to be allocated to the area for it to work.</p> <p>The NLA would be willing to work with the council with the provision of Tenant Information Packs, Assured short hold Tenancies, and support services for landlords to improve efficiency of the homes in the area</p> | Accepted | The Council fully intends to allocate sufficient staff resource in the areas identified. It would also be keen to work with NLA in the development of tenant information packs and support services for landlords. |
| NALS | <p>To make the scheme work effectively, it is important that:</p> <p>-the council's licence application process needs to be in place and fully operational before the council start to accept applications;</p> <p>-applicants should be given the opportunity to apply for a licence for at least three months prior to the start of the scheme; and</p> <p>-the council need to invest in extensive promotional activity, both within and outside the borough, throughout the pre-application period</p> | <p>Agreed</p> <p>Agreed</p> <p>Agreed</p> <p>Accepted</p> | <p>This will be in place.</p> <p>The council will ensure that an application process is in place to accept applications from the date of designation of the scheme.</p> <p>The Council will ensure that it meets statutory publication requirements in relation to the designation, together with other promotional activity.</p> <p>This will be done</p> |
| NALS | We would ask the council to publish clear service standards setting out the timescale for processing and approving licence applications and to publish regular | Agreed | This will be done |

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| | updates so that performance in this area can be monitored | | |
| Why is there no proposal for a borough-wide HMO licensing scheme | | | |
| Resident | Limiting this to particular wards will only encourage landlords to rent out HMOs in the unaffected wards | Partially agree | Legislative requirements surrounding the introduction of an additional licensing scheme requires Council's to evidence specific problems in all areas where licensing is to be introduced. The Council does not have adequate evidence to meet the criteria in six of Havering's wards at this time. The situation will be continually monitored and reviewed and the scheme could be extended if new evidence becomes available of problems in those other parts of the borough |
| Landlord | Restricting licensing to certain areas will only divert potential problems to other areas and encourage investors to look at other potential low cost areas of the borough | considered | All parts of the borough that are lower cost in terms of property prices are included under the designation. The areas that are currently not included are higher cost areas therefore new investors will be discouraged from setting up new HMOs in these areas. |
| RLA | The RLA is confused as to why there are two options in the proposed licensing area. To identify a particular area for the introduction of licensing highlights a belief that the area has numerous issues, potentially blighting the reputation of the area. There is also a danger that the issues that the scheme seeks to address are simply moved elsewhere, as difficult or vulnerable tenants are moved on. | Considered and clarified | The two options proposed represent a very small 4 ward scheme concentrated on the worst affected areas and a much larger scheme that will incorporate as much of the borough as the evidence base will permit. Both schemes were consulted on in order to give landlords and residents an opportunity to influence the extent to which licensing is rolled out in Havering. The results of the consultation illustrate that the majority of respondents seem to appreciate the benefit of a wider scheme which will limit the extent to which problems could spread to other parts of the borough |
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| Licensing could have a negative impact on some tenants | | | |
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| RLA | The vulnerable tenants who need affordable houses will be affected most by rent increases | Considered | The council does not anticipate that the licence fee will result in rent rises |
| Housing Association | The council should explore the option of providing additional support to people who will be displaced as a consequence of the introduction of the scheme. Particular targeted support should be given to those aged below 35 | Considered- to be kept under review | Joint working with homeless prevention officers will seek to establish a referral process for all tenants who are displaced or threatened with eviction as a result of the scheme. It is recognised that tenants under the age of 35 are most likely to be affected. |
| RSL | The introduction of an additional licensing scheme for HMO's could potentially have an adverse impact on young people and lower income groups. Specifically, Notting Hill Housing is concerned that young, single people aged under 35, who are more reliant on HMOs, could struggle to find alternative accommodation. | Considered | Additional licensing is not expected to significantly impact the number of HMO premises available to rent and higher rents are unlikely as they are largely determined by affordability. The Council also intends to closely monitor whether there is an increase in homelessness as a result of licensing, particularly among the under 35's age group. |
| Landlord | Where's the tenants protection from these landlords who want to cut corners? My real concern is that it will increase rents further as the extra costs would have to be passed on | Accepted | Licensing will provide greater protection for tenants such as improved living conditions and protection from eviction from unlicensed premises. The council does not believe the costs of licensing will be passed onto tenants in a significant number of cases. |
| NLA | In many places such as Newham, Oxford and Bath where they introduced in addition to the additional licensing an article 4 direction, it has restricted the number of shared housing that is | Considered | The council has already experienced difficulties in meeting housing demand, not only in shared accommodation but for all types of accommodation prior to implementation of Article 4 directions. Out of borough placements were also being made as some properties had been procured from outside |

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| | available. this has resulted in the council looking to house many local people outside the council's boundary | | Havering through the councils private sector leasing scheme. |
| Licence Conditions | | | |
| RLA | <p>We would like to remind the council that it is not the responsibility of the licence holder to make adequate arrangements for the collection of additional refuse and recycling or monitor when their tenants move their bins. It is the tenants' responsibility to dispose of their own rubbish and the local authority's responsibility to provide adequate means to do so. It is the responsibility and duty of the local authority to respond positively to tenants requests for more rubbish facilities.</p> <p>The RLA would like to make the council aware that this condition may breach the findings of Leeds City Council vs. Gordon Hoyland Spencer (1999)</p> | Considered and Rejected | HMO's are run as a business and property managers have a duty to other residents to ensure that refuse and other household waste is not allowed to accumulate in the property and cause nuisance. Havering Council already provides a weekly unlimited black bag and recycling collection service and have stipulate the days and presentation instructions for household waste to be collected. It also has a civic amenity site for disposal of other household waste and it runs an additional doorstep collection service for bulkier household items by arrangement for an additional small fee. The HMO Management Regulations (regulation 9) places a duty on the manager to ensure adequate refuse storage facilities are provided within the HMO pending their disposal and to make such further arrangements for the disposal of refuse and litter from the HMO. Whilst it is the tenants' duty to observe such arrangements, it is the Council's view that the property manager is ultimately responsible for ensuring waste from their property is stored and disposed of appropriately. |
| NALS | Condition no. 24 – Although we would expect responsible landlords to leave information about refuse and waste collection and not to fly tip, it is unreasonable to expect landlords to police tenant behaviour. The landlord can only be responsible for ensuring tenants are aware of refuse collection | Rejected | Poor waste management practice is a major contributor to ASB levels. The Council believes that all landlords need to inform tenants of the basic information as they are best placed to ensure this information is conveyed to tenants upon commencement of new tenancies. Furthermore any deficiencies or failure of tenants to observe either the refuse storage facilities or presentation of waste for collection should be identified by managers of well managed HMO's in |

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| | details and to encourage tenants to be responsible when disposing of waste. | | order that issues can be addressed before they become a nuisance. |
| NALS | Condition 8 – we have concerns about the unintended consequences of 8(b). in saying a landlord must not provide accommodation for someone who is unable to provide a reference, this proposal does need to be considered as part of the equalities impact assessment. | Considered and amended | The wording of the conditions has been amended to allow landlords some discretion not to permit a new tenancy without a reference in exceptional circumstances which should prevent inadvertent exclusion of some tenants |
| NALS | The consultation document says conditions 12-16 will not apply to all licences. However, no guidance is given about when such conditions may be applied. Can this be clarified? | Accepted and clarified | The wording has been amended to clarify that conditions 12-16 will only apply in cases where a 12 month licence is to be issued (landlords of concern) |
| NALS | Condition 21 –the council should produce a web page explaining what material can be recycled using council facilities. | Agreed and already in place | The Council's webpages already include information about various types of waste disposal and recycling facilities that are available in the borough. |
| NALS | Condition 28 – the risk based methodology for fire alarm and detection systems in the LACORS national fire safety guidance is not accurately captured by this clause and it deviates from the mandatory fire safety condition that the council must apply | Considered and accepted | The wording of this condition has been amended to reflect these comments and to accurately capture the mandatory fire safety conditions. |
| NALS | Condition 36 – receipts for rental payments are not required if the occupant is on an assured shorthold tenancy and | Accept | Wording of conditions revised accordingly |

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| NALS | pay rent via standing order or direct debit Condition 37 – this condition is incorrect as the liability for council tax will vary according to the type of HMO and how it has been banded by the Council. | Accepted and amended | This condition has been re-worded to exclude properties that have been separately banded for council tax purposes. However, landlords are liable for Council tax in the vast majority of HMOs |
| Public Register of Licence Holders | | | |
| Landlord | Landlords do not want their personal details made public | Under consideration | <p>The Council complies with the regulations relating to the public register, which is already published in respect of mandatory HMO licenses.</p> <p>S234 of the Housing Act 2004 requires the local authority to establish and maintain a register of all licensed it has issued and the register may be in such form as he authority consider appropriate.</p> <p>The authority must ensure that the contents of the register are available at the authority's head office for inspection by members of the public at reasonable times.</p> <p>The Council has chosen to have the register available online to allow tenants to check if a property is licenced as well as reducing the cost of responding to individual requests.</p> <p>Subject to further consideration, the Council may consider publishing a redacted version of the register online.</p> |
| The Evidence | | | |
| NALS | The evidence base needs to demonstrate what if any problems are associated with the smaller properties (those with only three or four occupants) | Agree | The Council already has evidence of poor management and property conditions in HMOs occupied by less than 5 persons. The evidence relating to antisocial behaviour, nuisance and crime will also be reviewed and updated in the coming weeks. |
| NALS | We do not think that the evidence base supports the proposal for more extensive | Considered and rejected | The Council has sought Counsel advice in relation to its evidence and is confident that the evidence does support a |

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| NALS | <p>licensing, as set out in option 1</p> <p>In establishing whether there is evidence to justify an additional licensing scheme, evidence of crime and ASB associated with the existing mandatory licensed HMOs has been included. Data associated with existing licensed HMOs should be excluded when looking at the justification for a new licensing scheme. In relation to crime and ASB, we are concerned that the data relates to 2014/15 which is three years old. there is no year on year data provided for comparative purposes</p> | Accepted | <p>12 ward scheme. However this will be reviewed once again prior to making the designation.</p> <p>It has not been possible to separate all of the crime data to categorise between existing licenced and other HMOs and broad data obtained has been used to demonstrate the wider issues on a ward by ward basis. Other evidence around poor property conditions and poor management of HMO's is however more specifically linked to unlicensed HMO's. The evidence will be reviewed again and a comparison of data over several years will be provided.</p> |
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5. Conclusion

It is clear from the online survey that there is overall support for a wider additional licensing scheme. Although a number of landlords expressed concern about the suggested level of fees, this came as no surprise. Unfortunately these charges are unavoidable if a cost neutral scheme is to be achieved.

Many of the key issues raised during this process have already been considered and responded to but further work is still needed to ensure that the scheme can be administered and enforced effectively. The success of the scheme will be largely dependent on the council's ability to allocate adequate staff resources to carry out property inspections and process applications in a timely manner. The council should also take advantage of the willingness of certain organisations such as the NLA and NALS to work with the council to provide the correct type of targeted support for landlords to enable them to deal with problematic tenants and to improve their property management skills.

The Council will need to invest heavily in enforcing the scheme in order to achieve the outcomes intended. The council will also be required to periodically monitor the effectiveness of the scheme. In order to achieve this it will be necessary for a clear set of quantitative and qualitative criteria to be set, against which the schemes performance can be assessed.