

Appendix 2

Consultation Report

London Borough of Havering

Statutory Consultation on proposals for licensing privately rented properties

November 2019

List of Figures	4
Executive Summary	5
1. The Consultation Process	6
1.1 Publicity and messaging.....	6
Hand-delivered flyers.....	7
Email/letter notifications	7
Council correspondence	7
Social media	7
1.2 Consultation questionnaire	12
1.3 Public events	12
1.4 Residents discussion group and telephone interviews.....	13
1.5 Written submissions	13
2. Nature of consultation	13
2.1 Proportional and fair.....	13
2.2 Accountability	14
3. The consultation report	14
3.1 Introduction	14
3.2 Consultation Questionnaire.....	14
3.2.1 Introduction	14
3.2.2 Interpretation of the data	15
3.2.3 Respondent profile	15
3.2.4 Licensing proposal responses	18
3.2.5 Fees	19
3.2.6 Length of licence and conditions	20
3.2.7 Summary of other comments and alternatives	22
3.2.8 Conclusion	23
3.3 Public Events	23
3.3.1 Landlord and resident public events.....	24
3.3.2 General comments- Public sessions.....	24
3.3.3 General comments on the proposals.....	25
3.3.4 Fees	25
3.3.5 Licensing conditions	25
3.3.6 Alternatives	25
3.4Written Submissions.....	26
3.4.1 Supportive of the schemes	26
3.4.3 Fees	27

3.4.4 Conditions	27
3.4.5 Enforcement	27
3.4.6 Further views and alternatives	28
4 Conclusion	28

List of Figures

Figure 1 Provides a breakdown of the category of respondent.....	15
Figure 2 Asks for the tenure of the respondent e.g. tenant, owner occupier	16
Figure 3 Which of the following are you most concerned about in Havering (more than 1 option could be chosen).	16
Figure 4 Respondents were asked to rank what types of ASB were of concern	17
Figure 5 If you are a tenant of a privately rented property do you have concerns about any of the following?	17
Figure 6 To what extent do you agree or disagree with the 'additional' licensing scheme proposal.....	18
Figure 7 To what extent do you agree or disagree with the 'selective' licensing scheme proposal for Romford Town and Brooklands wards.....	18
Figure 8 The proposed fee for an additional licence is £1250, do you think this is reasonable?	19
Figure 9 The proposed fee for a selective licence is £900, do you think this is reasonable?	19
Figure 10 Should a discount be offered to landlords who apply early and have a history of compliance?	20
Figure 11 Do you agree or disagree with the proposed tenancy management conditions	21
Figure 12 Do you agree or disagree with the proposed management conditions?.....	22

Executive Summary

Introduction

The London Borough of Havering has undertaken a consultation exercise to seek the views of residents, businesses and other stakeholders about proposals to introduce additional licensing scheme for 1) houses in multiple occupation (HMOs) in the six wards currently not covered by a scheme, and 2) a selective licensing scheme in Romford Town and Brooklands wards for the private rented sector (PRS).

Process and method

The consultation period ran between 26 June 2019 until 20 September 2019 and included the following:

- A questionnaire for all residents, stakeholders and organisations (the questionnaire was available online and paper questionnaires were circulated in libraries, service centres, and provided on request.
- Landlord/business consultation events
- Residents' consultation events
- Written submissions

The consultation and the events were widely publicised and directly marketed at stakeholder groups

Key Findings

There is general support and consensus among all represented groups for licensing HMOs and that this should be expanded to cover the remaining six wards

There are strong opinions both for and against selective licensing. The views are split broadly between landlords being opposed to a scheme and residents, tenants and a handful of landlords being supportive of a scheme.

It should be noted that most opposition to the scheme stemmed from the fee element, with many landlords and agents agreeing with proposals to register landlords.

The views expressed in the consultation events and in the open comments of the on-line questionnaire from those who opposed selective licensing said it was unfair for good landlords to pay for the misdemeanours of bad landlords. Some commented that it was another cost burden on top of several other council and government 'raids' on landlord income (Stamp Duty for example).

Those who supported selective licensing said it was helpful to create a consistent set of standards across the private rented sector and that it would help reduce overcrowding in single family homes.

Although the majority of respondents reacted positively to the levels of fees proposed, this was the weakest comparative result between those in favour and those against, with support for the selective fee levels being below 35%. There was also strong support for discounted fees for compliant landlords who applied early.

The support for the tenancy and management conditions was strong.

1. The Consultation Process

The London Borough of Havering (LBH) undertook a consultation exercise to seek the views of residents, businesses and other stakeholders, about proposals to introduce an additional licensing scheme for houses in multiple occupation (HMOs) in the six wards currently not covered by a scheme and a selective licensing scheme in Romford Town and Brooklands wards for the private rented sector (PRS).

A consultation pack was produced outlining:

- The reasons and evidence for each of the two proposals
- Why Brooklands and Romford Town were chosen as an area which would benefit from selective licensing
- The Council's objectives for licensing

This proposal presented aimed to do the following:

- Add to the existing licensing scheme which covers smaller HMOs so that the remaining six wards- Cranham, Upminster, St Andrews, Emerson Park, Hacton and Hylands are covered by a licensing scheme.
- To introduce licensing of properties in the private rented sector let to single households in Romford Town and Brooklands wards.

A full set of proposed licence conditions and the proposed fees were provided as part of the consultation pack. Respondents were also invited to comment on discounts and some aspects of enforcement, such as to reduce the length of the licence term if the applicant has a record of poor management.

The consultation period ran from 26 June 2019 until 20 September 2019 and there were several opportunities provided to stakeholders to present their views this included the following:

- A questionnaire for all residents, stakeholders and organisations. The questionnaire was available online and paper questionnaires were circulated in libraries and posted out on request.
- Eight landlord/business/resident consultation events, lunchtime and evening sessions in Upminster and Romford
- A discussion group and telephone interviews with residents
- Written submissions (Some organisations and individuals provided written submissions which are also included in this report).

1.1 Publicity and messaging

The consultation was publicised through the following channels:

- Residential Landlords Association and National Landlords Association: advertised the consultation on their websites
- 16,000 leaflets delivered to every home in the proposed selective licensing area

- Articles in *Living in Havering* magazine, delivered to every household in the borough
- Leaflets and questionnaires at all libraries in Havering
- Newspaper advertisements in Havering and surrounding boroughs
- London Property Licensing website advertisements
- Social media: e.g. Havering Twitter and Facebook pages
- Direct correspondence with existing licence holders
- Direct correspondence with estate agents and letting agents
- Direct e-mail to developers

This questionnaire along with documentation outlining the proposals, evidence, fees and conditions was published on the council website. Links to this information were also included in all external advertised promotions and all forms of Council media.

Posters about the consultation were put up in the following locations:

- Local Libraries
- Council Buildings

Adverts about the consultation were placed in local/neighbouring borough newspapers.

1.1.2 Council communication

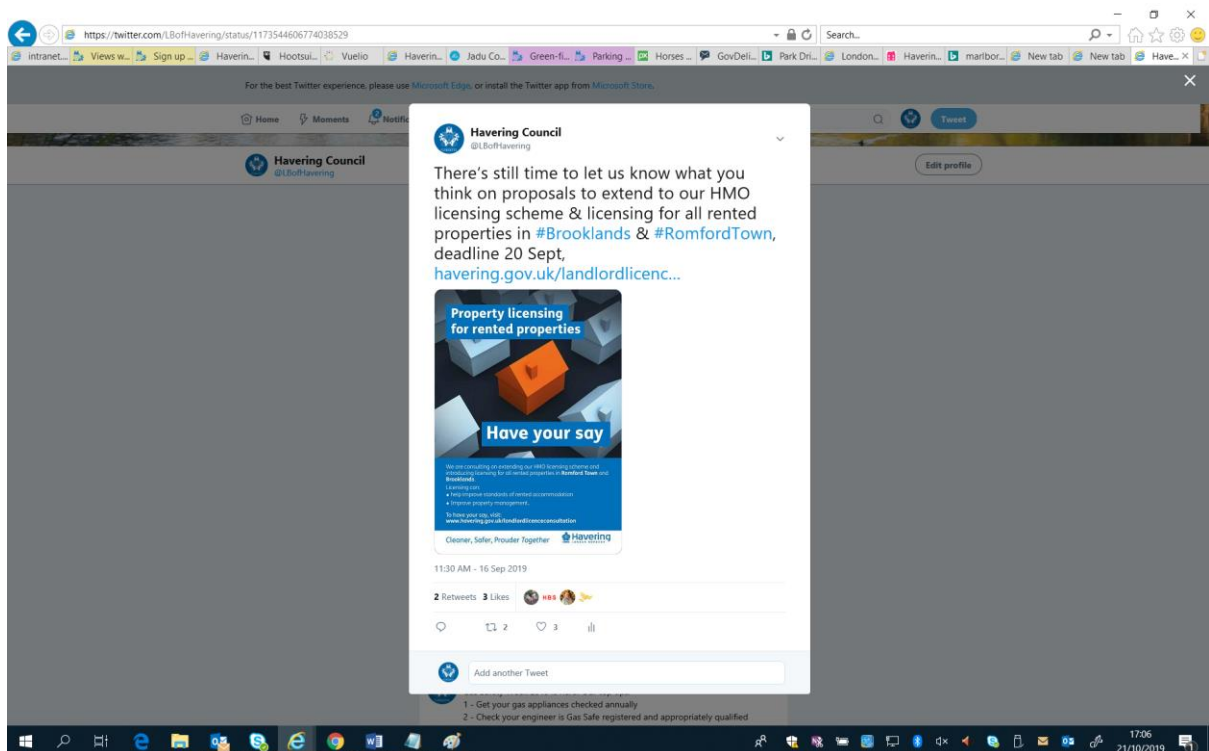
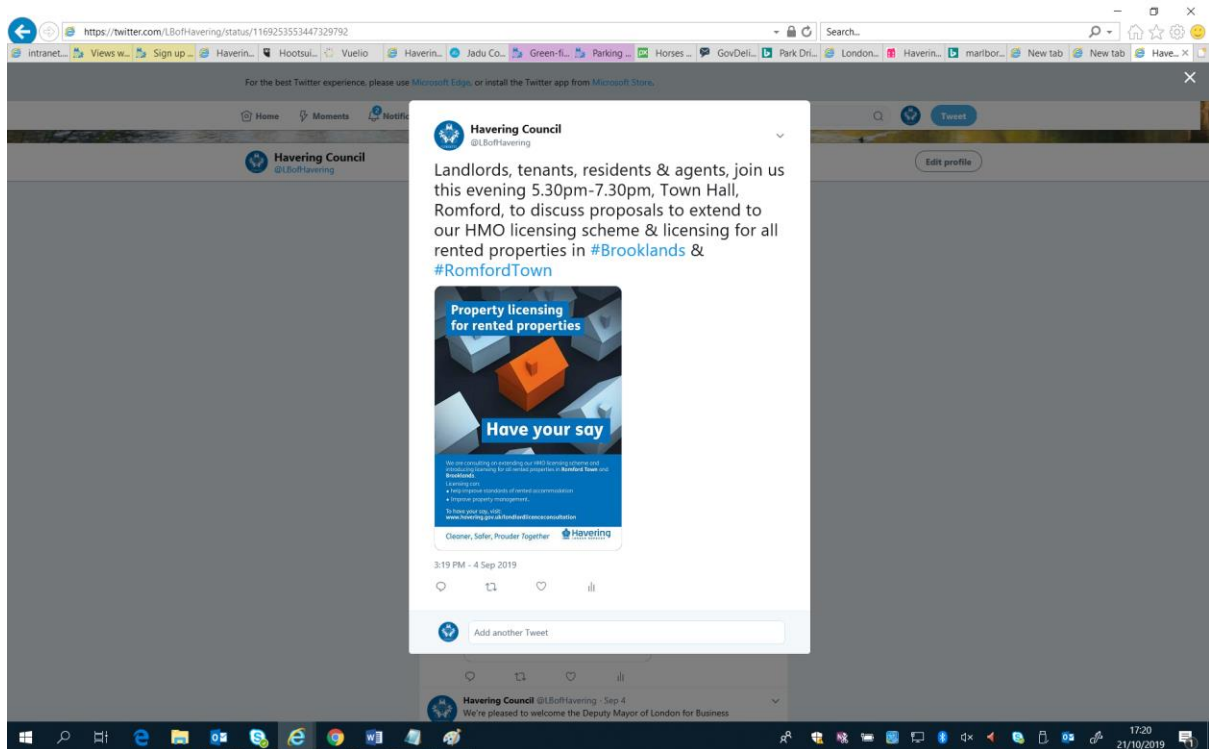
Hand-delivered flyers - 16,000 letters/flyers were hand delivered to every residential property in both Romford Town and Brooklands wards informing residents about the consultation and events.

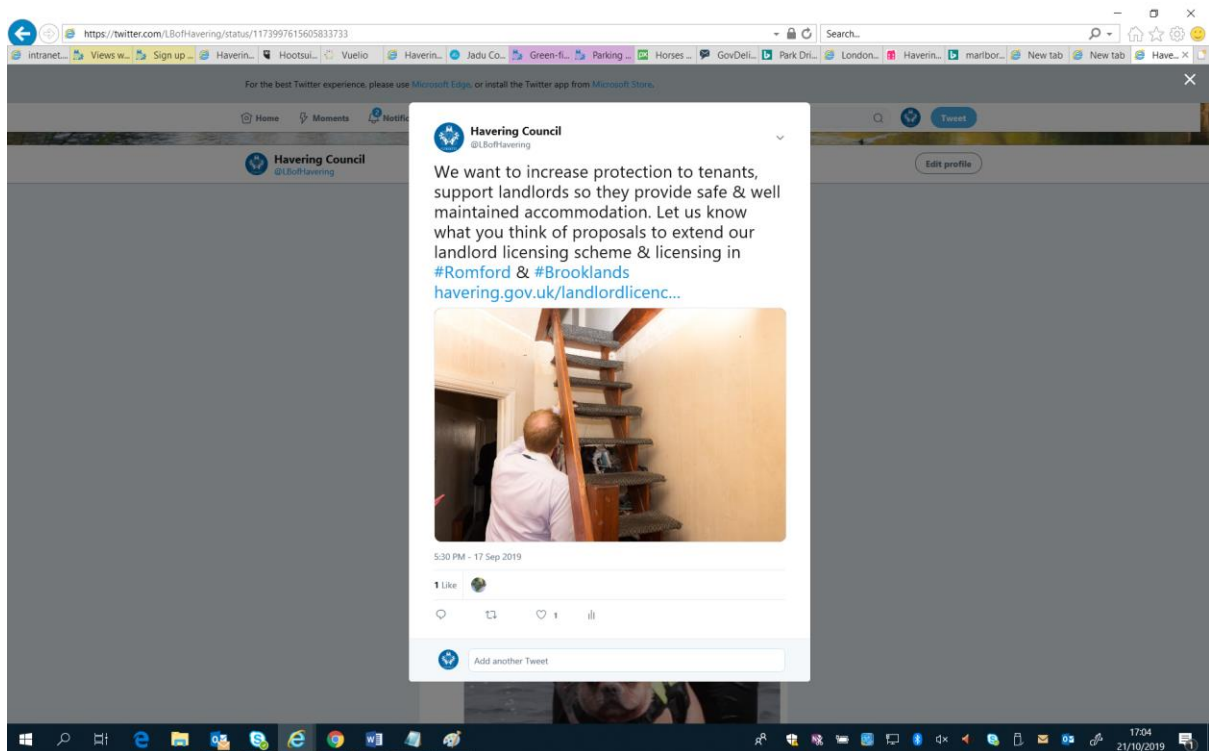
Email/letter notifications - were sent to solicitors, landlord associations, estate and letting agents, voluntary organisations, individual landlords (that the council had contact details for), property developers. Contact lists for estate and letting agents were put together from commercial listings in and around Havering. List of property developers were compiled from published planning records

Council correspondence - all Public protection staff added notification about the consultation to their e-mail signatures

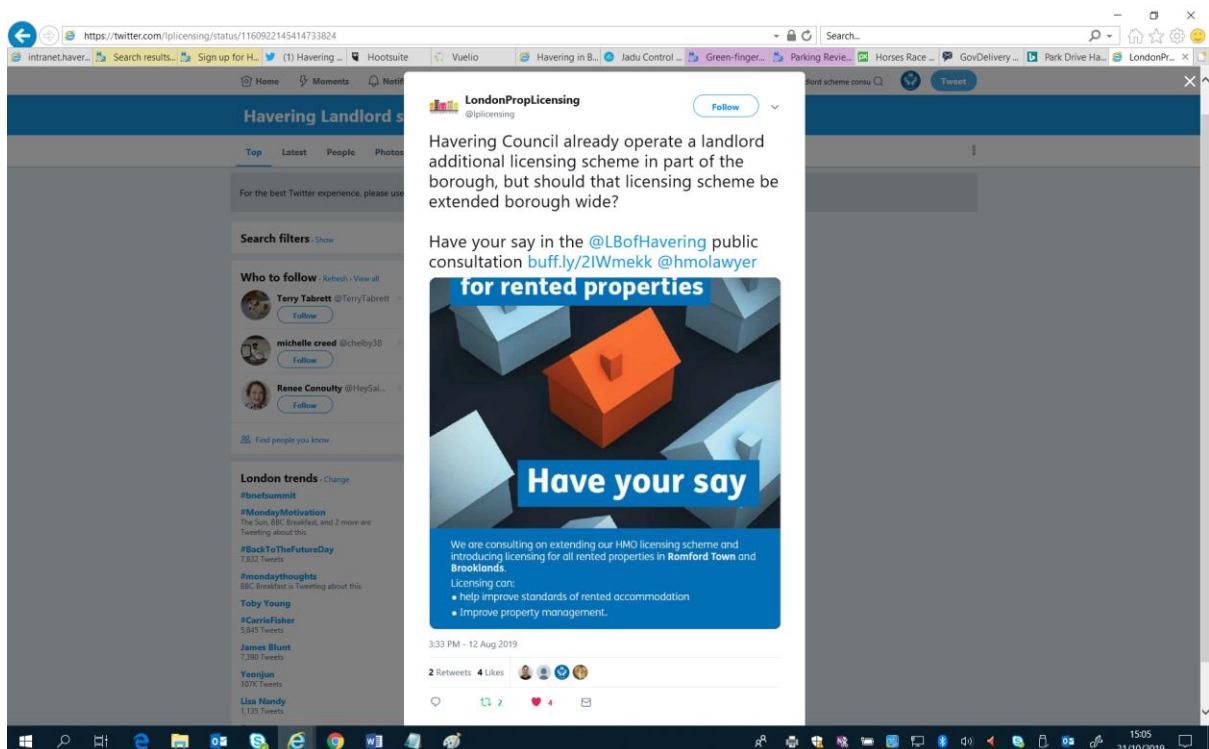
Social media - Posts were sent out daily during the duration of the consultation, including weekends and messaging was varied between promoting the consultation as a whole and promoting the events, targeting residents but also landlords, tenants, agents in the relevant areas.

The London Borough of Havering has a following of 13.5k on Twitter and there were between 2-5 likes per tweet per day, plus an average daily engagement on Facebook 20-70 people per/from any one post per day. Some examples of social media posts are shown below.





Posts were also shared with London Property Licensing who were commissioned to run an awareness campaign for the consultation particularly aimed at landlords and letting agents.



Press release - Press release to launch the consultation 28 June 2019

https://www.havering.gov.uk/news/article/609/views_wanted_on_extension_plans_for_successful_landlord_scheme

External media including trade press

Recorder newspapers:

July 2019

<https://www.romfordrecorder.co.uk/news/havering-council-consultation-on-landlord-licensing-scheme-1-6135254>

Paid for advertising:

Recorder newspapers: September 2019 – the adverts rang alongside an article [based on press release] about the latest enforcement action around HMO landlord licensing, boosting the promotion of the consultation before its deadline in September.

Circulation [general figure] of Romford Recorder is 21, 500 [including 9,600 free copies distributed per week]

Ilford Recorder – around 9,800 copies

Article: 12 September

<https://www.romfordrecorder.co.uk/news/havering-council-s-crackdown-on-criminal-landlords-1-6265419>

Monthly Safer Havering – Safety & Enforcement newsletter

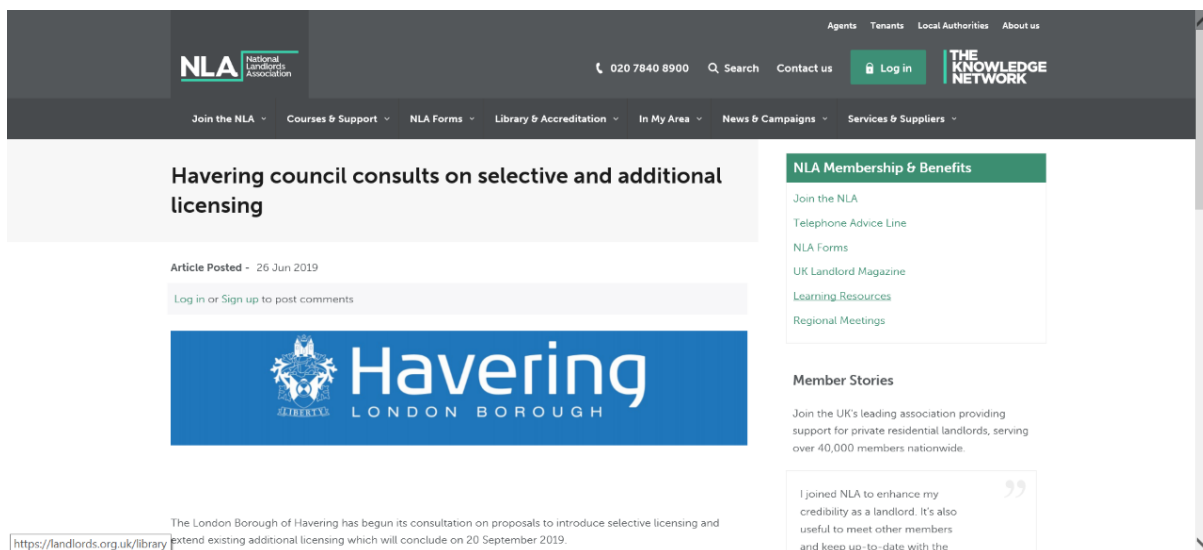
From June to September, promotion of the consultation was featured in the monthly newsletter on the work that goes on in public protection, community safety, police partnership working & enforcement. This resulted in promotion in four monthly newsletters overall. This is circulated to 6,567 people.

Link to example of a newsletter:

<https://content.govdelivery.com/accounts/UKLBH/bulletins/24d35b5>

External promotion

The National landlord association (NLA) and Residential Landlord Association (RLA) were informed about the consultation and a notification of the consultation was available on its respective websites in June 19.



London Property licensing (LPL) - were commissioned to publicise the consultation on their website, the report below outlines the activity carried out. It is the only website dedicated to providing simple, impartial and expert advice on property licensing and explaining the licensing requirements across every London Borough. The website reaches out to landlords based throughout the UK together with those based abroad. Since launching in April 2015, the website has received over 835,000 page views (Source: Google Analytics, 2015 - 2019).

Throughout the consultation period LPL had a listing from 26/06/2019 to 20/09/2019, the licensing consultation was advertised on the LPL latest events webpage. It was also promoted in the events section on the LPL home page, the LBH borough page and all other London borough pages. Separate listings were added for LBH licensing consultation landlord events held on 4 July (two sessions) and 4 September (two sessions). The listings were promoted on the same web-pages listed above.

During the consultation period, the home page and all borough pages that promoted the licensing consultation exercise were viewed 31,261 times. The consultation banner advert was also displayed on twenty news articles and four blogs that attracted a further 5,774 views.

A news article about the licensing consultation was posted in the LPL news section on 28/06/2019 and promoted on social media and in the LPL newsletter. The five most recent news stories are listed on the LPL home page and the LPL LBH page.

LBH licensing consultation banner advertising A high profile 300x400 pixel banner advert promoting the licensing consultation was placed on the LPL home page, the LPL news and comment summary pages, all newly published news and comment articles and all LPL London borough pages from 26/06/2019 to 20/09/2019. Anyone clicking on the advert was taken directly to the consultation page on the council's website.

LPL Newsletter:- A regular LPL newsletter is sent out to people who have requested updates on housing regulation and property licensing schemes. The newsletter is widely distributed free of charge to landlords, letting agents, organisations, local authority officers and government officials. The licensing consultation was promoted in the newsletters distributed on 15/07/2019, 19/08/2019 and 19/09/2019. Each newsletter was sent to between 2,379 and 2,476 people.

LPL Social media promotion:- The licensing consultation was promoted in articles published on the LPL Facebook page and the LPL LinkedIn page on 01/07/2019, 06/08/2019 & 16/09/2019. Tweets about the licensing consultation were published on the LPL Twitter Feed (@lplicensing) at least once every 6 to 8 days, timed to cover a variety of morning, afternoon and evening posts, between 01/07/2019 and 20/09/2019. Each tweet was sent to between 2,159 and 2,175 followers, generating impressions, likes, retweets and comments from a variety of people including Havering Council, safeagent, Residential Landlords Association, Eastern Landlords Association, members of the public, property businesses and a property commentator.

1.2 Consultation questionnaire

The consultation questionnaire was available for anyone to complete - either online via the consultation page on LBH's website, or in hard copy which was widely available. The questionnaire was also available on request from council offices or by post.

Questionnaires are important forms of engagement as they are inclusive and provide people an opportunity to express their views.

In total, 109 responses were received, 1 paper copy was spoilt so has been excluded, of those that were submitted;

- 89 from those identifying themselves as residents;
- Of the 89 residents, 24 of the respondents also identified themselves as a landlord
- 15 from landlords not residents of Havering

The full analyses are shown in section 3 of this report.

1.3 Public events

The Council held eight events and a discussion group during the consultation in Upminster and Romford. LBH engaged the services of an independent facilitator to lead these consultation events, Volition Ltd. A total of 37 people took part.

Volition Ltd.'s detailed report is attached as an appendix to this document (Appendix 1)

Each session began with a presentation by a council officer from the private sector housing team followed by a facilitated question & answer session and discussion. This covered the main issues; the reasons for considering a scheme, objectives, proposed fee levels and licence conditions. The independent facilitator ensured that all voices were heard, and views recorded.

As shown above, the meetings were widely publicised and were intended to be separate events for landlord/business stakeholder groups and residents. However, all sessions had a mixture of residents and landlord groups/agents and no one was turned away.

1.4 Residents discussion group and telephone interviews

Residents were under-represented at the advertised events. To ensure the consultation heard the voices of residents as well as landlords, residents who had had previous contact with the council about housing issues were invited to take part in a discussion group on the proposed licensing scheme. Those unable to attend the discussion groups were interviewed over the phone. All the residents in the group had lived in the borough for more than 10 years and so had seen the growth of the private rented sector in their neighbourhoods.

1.5 Written submissions

During the formal consultation process, organisations and individuals provided written submissions to the council. Contributions were received from:

- National Landlords Association
- Residential Landlords Association
- Association of residential letting agents (ARLA)
- Safeagent
- 2 local landlords

2. Nature of consultation

2.1 Proportional and fair

The council's consultation programme was designed to be open, accessible and fair to all stakeholders across the borough. The process was also proportional to the importance of the issues and conforms with good practice and government guidance¹ on these types of consultation.

The key aims of delivering a good quality consultation should:

- Provide the public and stakeholders with enough background information to allow them to consider the issues and any proposals intelligently and critically.
- Consultations should be targeted
- Consultations should take account of the groups being consulted

(1) ¹ *Principles of consultation* Cabinet Office (2018)

- Allow sufficient time for people to participate and respond
- Be properly taken into consideration before decisions are finally taken
- Ensure responses to consultations are published in a timely fashion

2.2 Accountability

The views and verbal feedback from the consultation will assist decision-making. The contents of this report will be considered by the council, and a formal response made to the points raised. All responses are considered in order to:

- Be informed of any issues, viewpoints, implications or options that might have been overlooked;
- Re-evaluate proposals
- Review priorities and principles.

It is important to note that this is a consultation and not a referendum, i.e. the majority views should not automatically decide the policy or proposal. The levels of, and reasons for, public support or opposition are very important, but as considerations to be taken into account, not as factors that necessarily determine authorities' decisions.

3. The consultation report

3.1 Introduction

This report presents the views and statements of attendees from the organised meetings and also from the questionnaire submissions in respect to the council's private rented sector (PRS) licensing proposals. The report seeks to capture the many different and often opposing viewpoints accurately and clearly. The report does not make the case for or against any of the proposals.

The consultation responses will be considered and responded to by the London Borough of Havering separately to this report.

3.2 Consultation Questionnaire

3.2.1 Introduction

A consultation questionnaire was produced to capture views on key issues such as introduction of a PRS licensing scheme, proposed fees, licence conditions and views on the proposed geographical areas. A full suite of documents detailing evidence, conditions, fees and detailed proposals was also produced and published alongside the questionnaire.

The questionnaire was designed with questions which required agree/disagree answers but there was also an opportunity for respondents to make any additional comments.

The consultation document and questionnaire were available on the council's website between 26 June 2019 and 20 September 2019 (the duration of the consultation period). Paper versions were available on request and were also made available in libraries, for those who were unable to fill it in online.

The council publicised the questionnaire through a variety of means, including (but by no means limited to):

- Residential Landlords Association and National Landlords Association: advertised the consultation on their websites
- 16,000 leaflets delivered to every home in the proposed selective licensing area
- Articles in *Living in Havering* magazine, delivered to every household in the borough
- Leaflets and questionnaires at all libraries in Havering
- Newspaper advertisements in Havering and surrounding boroughs
- London Property Licensing website advertisements
- Social media: e.g. Havering Twitter and Facebook pages
- Direct correspondence with existing licence holders
- Direct correspondence with estate agents and letting agents
- Direct e-mail to developers

Details of all publicity and communication are detailed in section 1 above.

3.2.2 Interpretation of the data

Graphs are used in this chapter to aid interpretation of the data. These graphs show the proportions of respondents to each question by category.

3.2.3 Respondent profile

The first section of the questionnaire sought to understand the type of respondent, for example a resident or landlord or both; of the 109 individuals that responded to the questionnaire. 89 identified as Havering residents, of these respondents 24 were also landlords or managing agents. There were 15 respondents who were only landlords and not residents.

The second section asked respondents opinion on their living environment and concerns with the area.

Error! Reference source not found.: **Breakdown of the category of respondent**

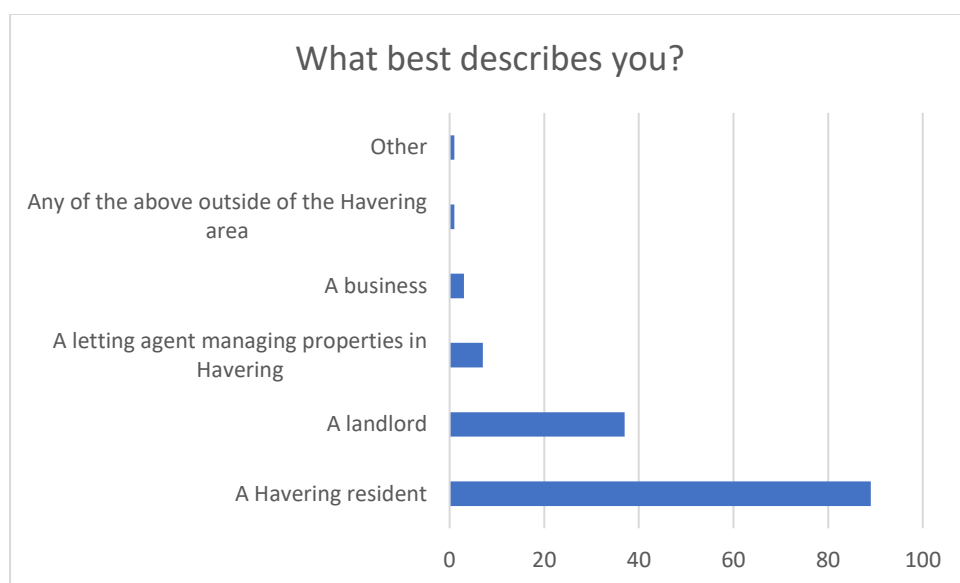


Figure 1: Tenure of the respondent e.g. tenant, owner occupier

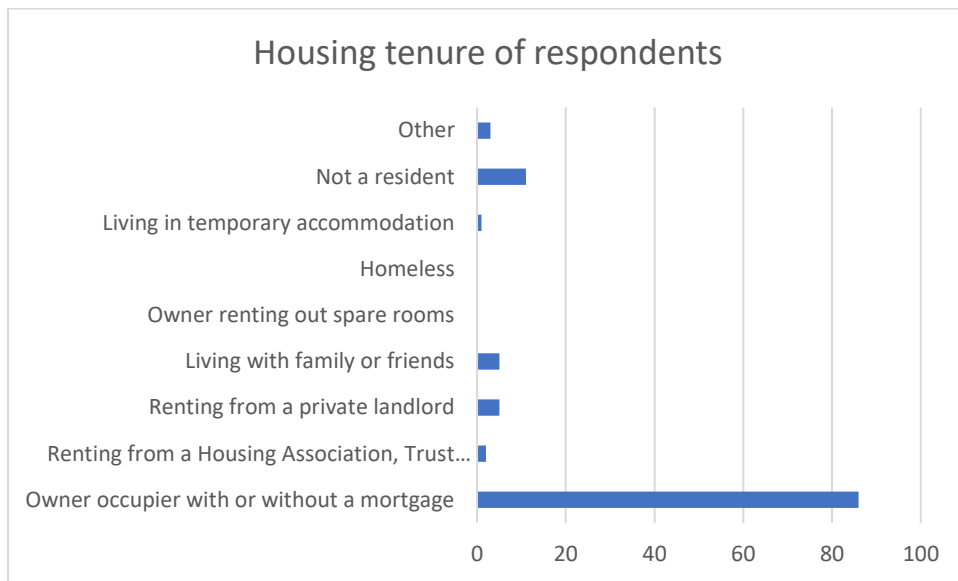


Figure 1 and 2 show the majority of respondents are owner occupiers, landlords are included in this group as some had already indicated they were local residents

Figure 2: Which of the following are you most concerned about in Havering

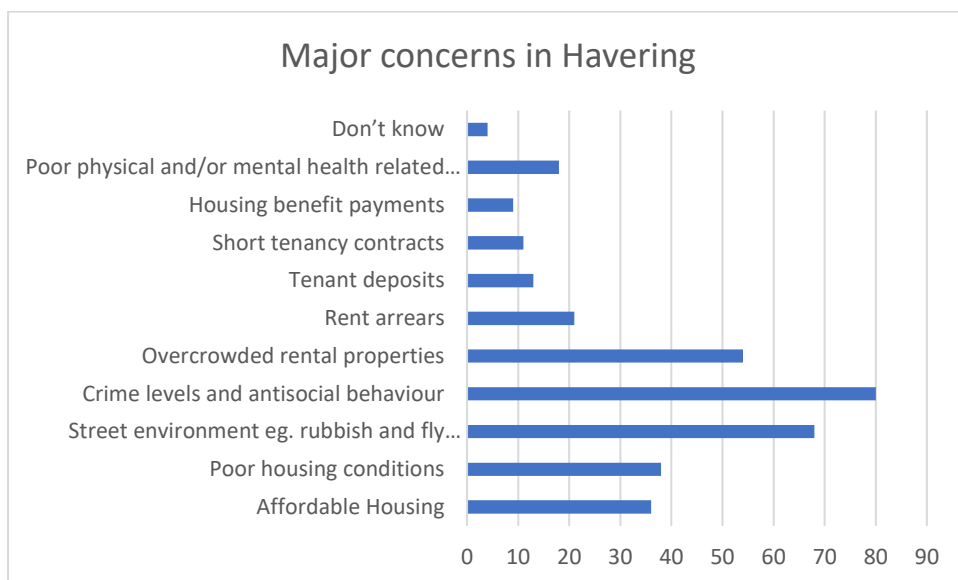


Figure 3:- More than one option could be chosen, the top three concerns identified from the housing related options were crime levels/anti-social behaviour, street environment and overcrowded rental properties. Followed by poor housing conditions and affordable housing.

Figure 3: Respondents were asked to rank what types of ASB were of concern

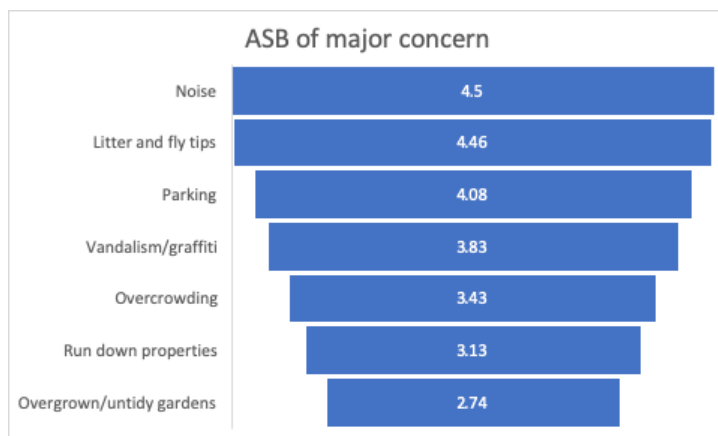


Figure 4 shows respondents' ranking of various types of antisocial behaviour. Noise, litter and fly tips received the highest ranking, followed by parking and vandalism. Five of the paper returns duplicated some of the rankings, however this has not affected the overall results

Figure 4: If you are a tenant of a privately rented property do you have concerns about any of the following?

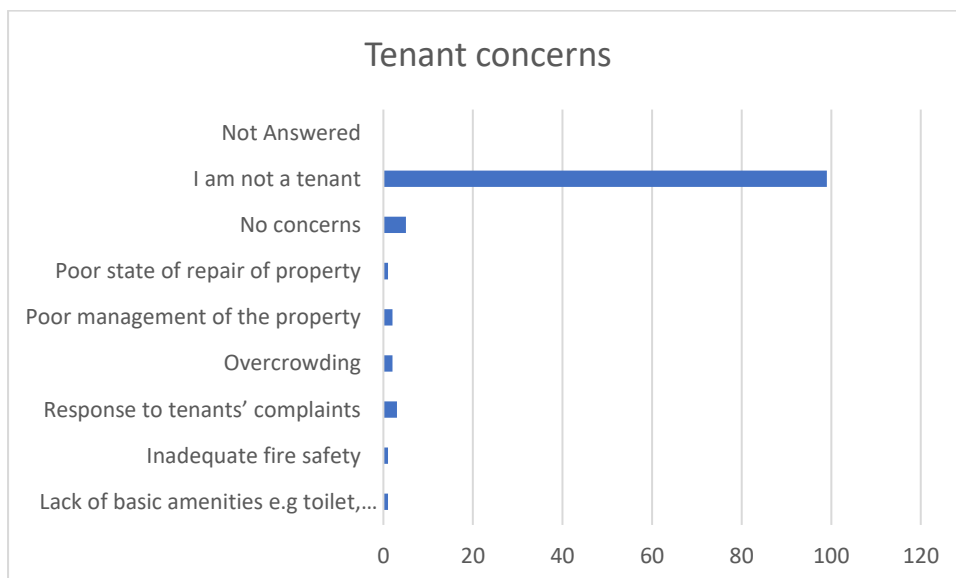
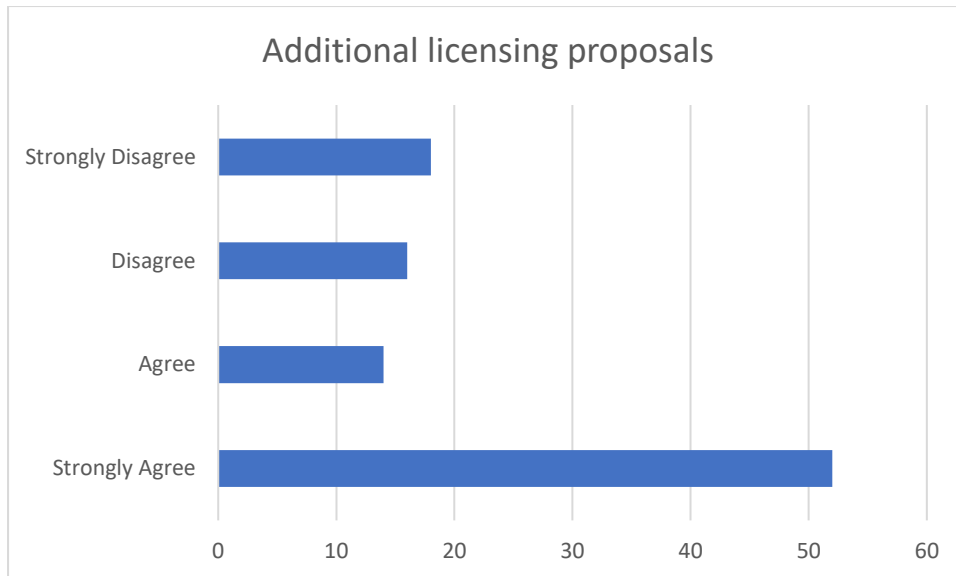


Figure 5 explores PRS tenant's key areas of concern. Unfortunately, this group was under-represented for the on-line questionnaire as can be seen by the results in figure 2, only 8 identified as tenants. 15 respondents answered this question so 7 of those responding had not identified as tenants earlier in the questionnaire. Due to the poor response of tenants to the on-line survey the results for this question cannot be seen as significant. The views of tenants were better represented in the residents' discussion event.

3.2.4 Licensing proposal responses

The following section shows responses to specific questions about the licensing proposals. The consultation page had a suite of documents detailing the proposals in detail, including maps of the proposed areas, proposed fees and the proposed conditions.

Figure 5: To what extent do you agree or disagree with the 'additional' licensing scheme proposal



The response in figure 6 shows strong support for additional licensing, the majority choice being 'strongly agree' (52%). By collating the agree/strongly agree and disagree/strongly disagree categories it can be seen that, 66% of respondents agreed with the proposal with 34% against.

Figure 6: To what extent do you agree or disagree with the 'selective' licensing scheme proposal for Romford Town and Brooklands wards

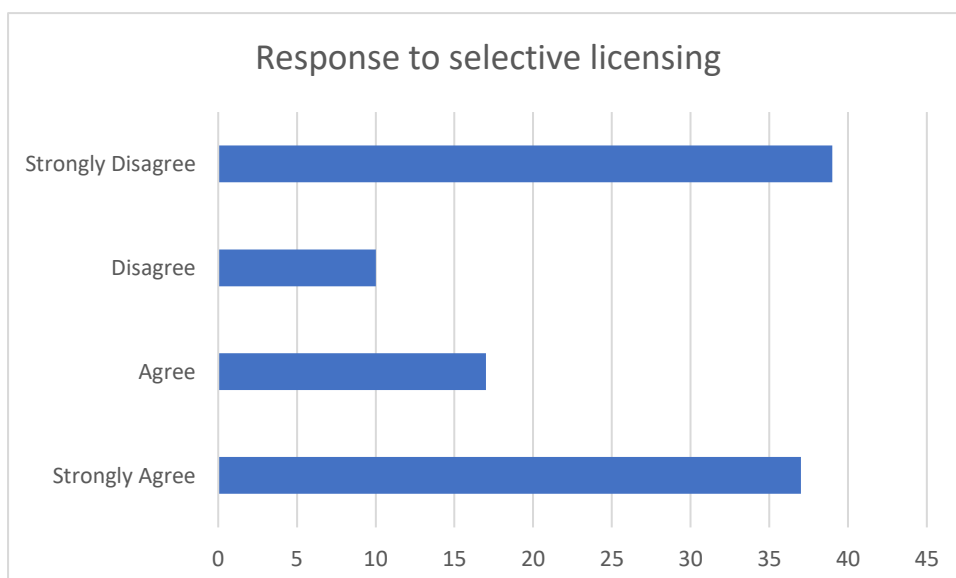


Figure 7 shows the opinions expressed for the selective licensing proposal are more evenly matched. By collating the agree/strongly agree and disagree/strongly disagree categories it can be seen that 52.5% agree and 47.5% disagree with the selective scheme proposal.

3.2.5 Fees

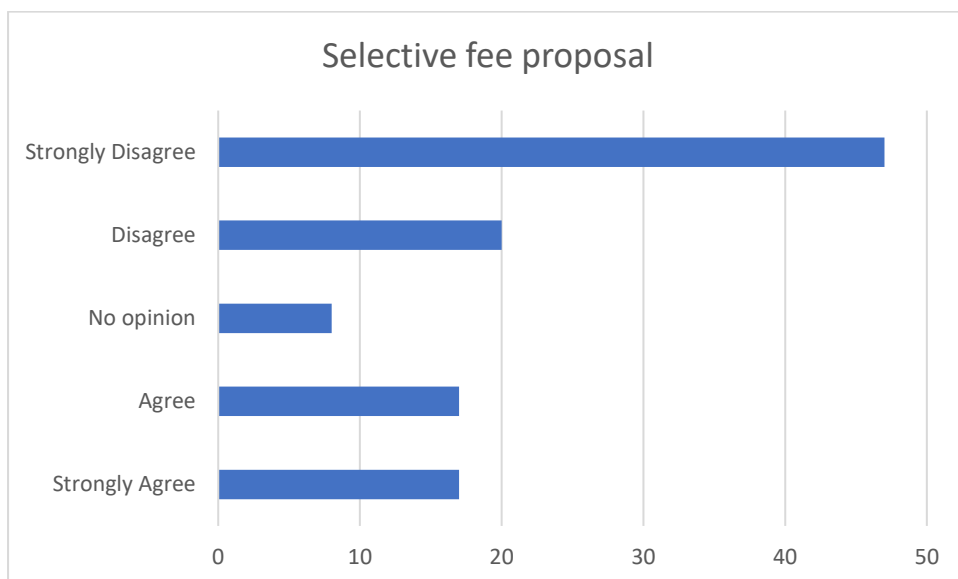
Figure 7: The proposed fee for an additional licence is £1250, do you think this is reasonable?



Figure 8 shows that by collating the agree/strongly agree and disagree/strongly disagree categories it can be seen that that 44% agree and 38.5% disagree with the proposal. There was a large number of respondents who expressed no opinion on this proposal, 17.

A question was also asked on a specific proposed discount of £900, this provided an inconclusive response.

Figure 8: The proposed fee for a selective licence is £900, do you think this is reasonable?



There is considerable opposition to the proposed fee for selective licensing shown in figure 9. By collating the agree/strongly agree and disagree/strongly disagree categories it can be seen that 61.47% disagree and 34% agree with the proposal.

A question was also asked on a specific proposed discount of 450, this provided an inconclusive response.

Figure 9: Should a discount be offered to landlords who apply early and have a history of compliance



Figure 10 -This question sought the views on whether those that applied early and with a good history of compliance should receive a discount. There was strong support for this policy, with 66% agreeing and only 19% disagreeing.

3.2.6 Length of licence and conditions

Figure 11: Should only a one-year licence be issued to landlords with previous management concerns

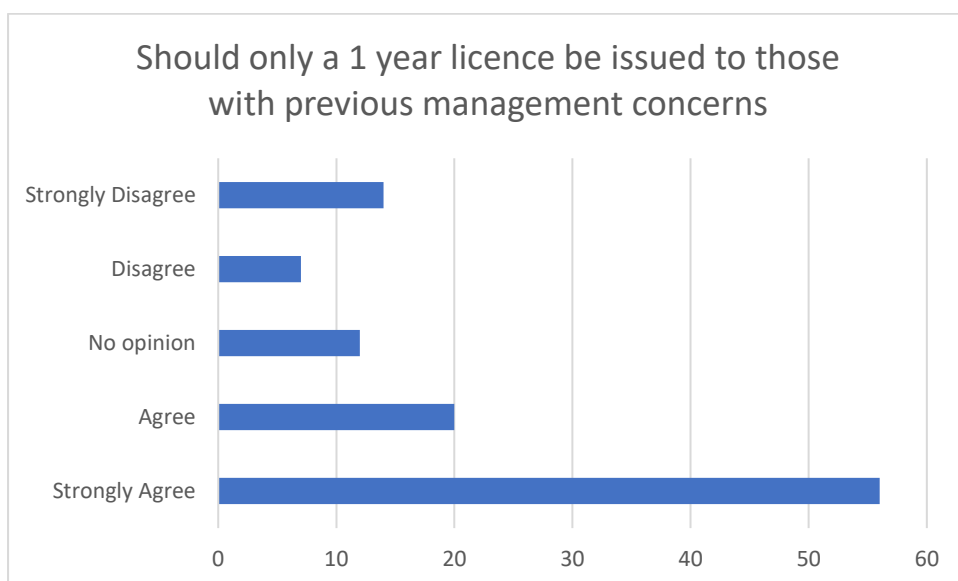


Figure 11 shows that there is strong support for this enforcement approach, 69%. This is policy is being applied in the current licensing schemes in Havering, the most common relate to breaches in management regulations and conditions.

Figure 12: Do you agree or disagree with the proposed tenancy management conditions

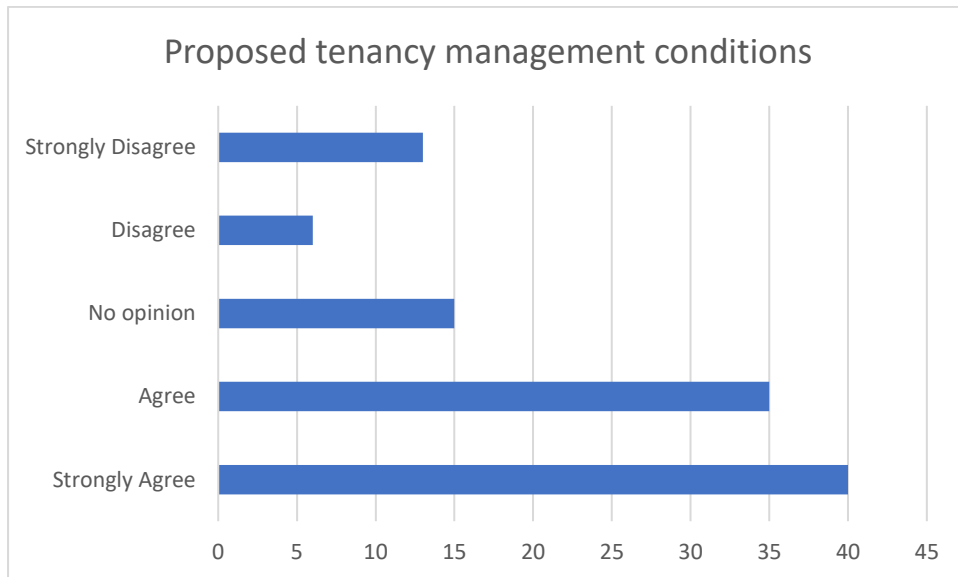


Figure 12 - There was a detailed list of tenancy conditions for the respondents to review, these conditions are proposed to be attached to the licence and require a landlord to adhere to them. There was strong support for these conditions 68.8%.

Figure 13: Do you agree or disagree with the proposed management conditions?

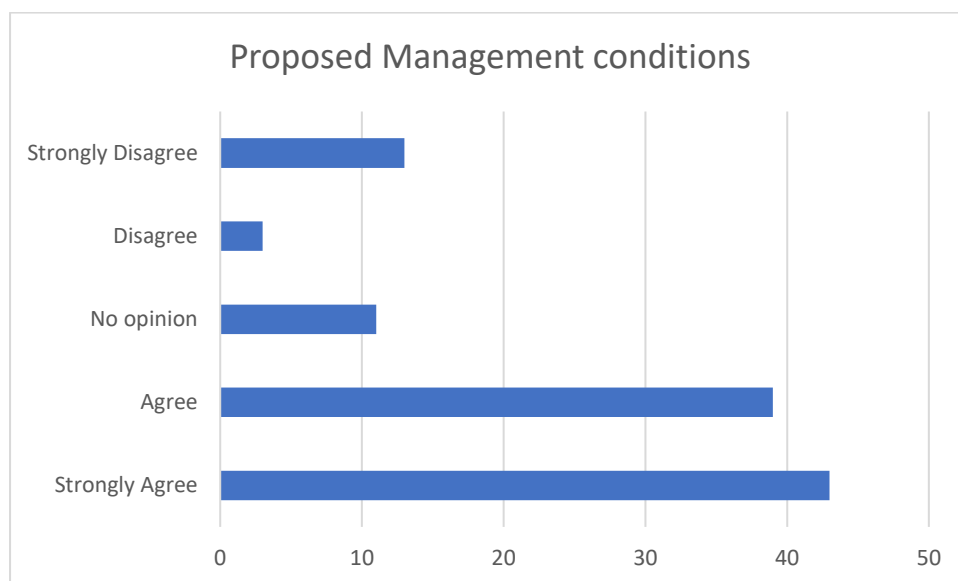


Figure 13 -There was a detailed list of management conditions for the respondents to review, these conditions are proposed to be attached to the licence and require a landlord to adhere to them. There was strong support for these conditions 75%.

3.2.7 Summary of other comments and alternatives

There was also an opportunity for questionnaire respondents to make additional comments if they wished. Key issues raised, alternatives and other suggestions have been captured and considered by the council. The responses can be seen in the report titled 'Consultation Response'

53 comments were received about the additional (HMO) licence proposal. The most common responses were:

- expressing support for the scheme
- proposed fees are too high
- no more HMOs should be created in the Borough
- HMOs should be regularly inspected and monitored
- licensing should cover all areas
- the council already has powers to deal with these properties
- fear that the fee will be passed onto tenants
- scheme will drive landlords away
- need condition to keep gardens tidy
- not sure that licensing will tackle unscrupulous landlords
- license only those that do not have a letting agent.
- It's a stealth tax

64 comments were received about the selective licensing proposal. The most common comments were:

- Not supporting the scheme
- expressing support for the scheme
- Don't punish good landlords
- Just a scheme to generate income for the council
- proposed fees are too high
- Licensing will not deal with the rogue landlords
- licensing should cover all areas and all landlords
- the council already has powers to deal with these properties
- fear that the fee will be passed onto tenants
- scheme will drive landlords away
- not sure that licensing will tackle unscrupulous landlords
- fee too low
- Bureaucratic

Key themes are emerging from these comments and these will be responded to in the 'Consultation Response' document.

Many respondents were concerned that the cost of the licensing fees would just be passed onto tenants who were already having to pay high rents.

There were also several alternative suggestions to the proposed licensing scheme:

- Some called for reduction in council tax for landlords
- Make more use current enforcement powers.
- Access to recycling sites

3.2.8 Conclusion

It is clear that there are strong opinions on each side, for licensing or against it. From the comments in the questionnaire nearly all landlords oppose the scheme. However, there are many other groups of residents and tenants that are supportive, and this is reflected in some of the results shown above.

There is more support for an additional scheme (HMO) than for the selective licensing proposals although both scheme proposals have more respondents that support them rather than are against them.

Although the majority of respondents reacted positively to the levels of fees proposed, this was the weakest comparative result between positive and negative responses. Responses that supported selective fee levels were less than 35%. There was also strong support for discounted fees for compliant landlords who apply early.

The support for the tenancy and management conditions was strong.

3.3 Public Events

There were originally four sessions organised for landlords and four for residents, however no one was turned away if they attended a session primarily organised for residents or landlords or vice versa. Resident participation in these events was low.

All the public events were facilitated by Volition Ltd whose staff are independent facilitators with experience in central government public engagement and social research companies with a strong track record of running public engagement events.

Volition Ltd provided a detailed report on these events which is attached Appendix 1 to this report. The following section provides a summary of that report.

3.3.1 Landlord and resident public events

There were four advertised landlord/letting agent consultation sessions held at Romford Town Hall on 4 July and 4 September, on each day there were two sessions 2pm-4pm and 6pm-8pm. There were four advertised residents'/tenants' consultation sessions two held at Upminster library on 3rd July, and two at Romford Town Hall on 20th August

The sessions were timed to be held near the beginning and end of the consultation to correspond to the large amount of publicity at consultation launch and to avoid the summer holidays as much as possible.

The aim of the sessions was to provide an opportunity for interested parties to find out about, and discuss the proposals with, key council officers, allowing for interactive and informed discussions.

The sessions were promoted directly to agents and landlords in local papers, via social media, trade and landlord organisations, advertised on the council website, and through posters at council locations. Details of the publicity and communications can be seen in the section above.

3.3.2 General comments- Public sessions

Top level summary of participant's responses to the licensing proposals: (Volition Ltd Report)

- General approval for the proposal to extend the current HMO licensing scheme to the remaining six wards of Emerson Park, Cranham, Upminster, Hylands, St Andrew's and Hacton.
- The selective licensing proposal was opposed by most of the landlords and agents who attended the events but supported by all the residents who took part and a handful of agents and landlords.
- Those who opposed selective licensing said it was unfair for good landlords to pay for the misdemeanours of bad landlords and that it was another cost burden, on top of several other council and government 'raids' on landlord income (Stamp Duty for example).
- Those who supported selective licensing said it was helpful to create a consistent set of standards across the private rented sector and that it would help reduce overcrowding in single family homes.
- Most landlords and agents at the events felt that proposed fees for HMOs were acceptable, given the higher revenue earned and the greater expense associated with regulating multi-individual properties.
- The fees for selective licensing were more hotly contested, because they were felt to be imposed on smaller landlords, with lower revenue.
- The selective fees were also contested because many landlords and agents at the events could not see what they would get in return for the payment.

- Residents at the discussion group and some landlords were keen to ensure that the proposed property management and tenant management conditions were tightened up, with the good of the neighbourhood in mind.

3.3.3 General comments on the proposals

The proposal to extend the HMO licensing to the remaining six wards of Emerson Park, Cranham, Upminster, Hylands, St Andrew's and Hacton was met with general approval by most landlords, agents and all residents who came to the events. Many felt that houses in multiple occupation, required a high level of scrutiny and regulation. Issues related to poorly managed HMOs, such as rubbish accumulation and anti-social behaviour, were recognised as a problem in the borough and across London, and licensing was seen by most to be a sensible way to try to raise standards.

The proposal for licensing all private rented single-family homes in the Brooklands and Romford Town wards was opposed by most landlords and agents but supported by all residents who attended and a few landlords and agents.

The detailed feedback can be seen in the report but the key themes which have been raised in the comments section of the questionnaire were broadly repeated in the public sessions.

3.3.4 Fees

Most landlords and agents at the events felt that proposed fees for HMOs were acceptable, given the higher revenue earned and the greater expense associated with regulating multi-individual properties.

The fees for selective licensing were more controversial, because they were felt to be imposed on smaller landlords, with lower revenue.

Most participants agreed with the plan to charge non-compliant landlords annually, rather than every five years. Most also supported the proposed 'early discount' scheme, where landlords who register in the first few weeks of the scheme pay less. Residents at the discussion group wanted to see higher fees for both schemes.

3.3.5 Licensing conditions

There was no clear opposition to the proposed licensing conditions, however the view was that Tenant and Property Management Conditions should be written with the needs of the neighbourhood in mind e.g. time permitted to report and tackle anti-social behaviour such as noise and drug taking.

3.3.6 Alternatives

There were several suggestions made for alternatives to licensing;

- Provide education for landlords.
- Set up MP forums to listen to landlords and tenants and develop solutions to poor housing conditions and poor tenant/landlord behaviour.
- Set up a Housing Court.
- Have an annual MOT for a private rented property.
- Set up an accredited landlord scheme.
- Only allow properties to be managed by licensed agents or professional landlords.
- Fine landlords for each warning for not complying with licence conditions.
- Charge per hazard found as part of an inspection.
- Change laws at Westminster.

3.4 Written Submissions

During the formal consultation process, organisations and individuals provided written submissions to the council. The contributors were:

- National Landlords Association (NLA)
- Residential Landlords Association (RLA)
- ARLA
- Safeagent
- Two local landlords
- Police

All the written submissions summarised below into main themes. Letters from organisations have also been included in Appendix 2 in full

3.4.1 Supportive of the schemes

There was support received from the scheme from the Police

3.4.2 Oppose the scheme

The RLA is opposed to the scheme and has many objections to licensing overall

Those opposing the scheme asked that the council make better use of existing enforcement powers as there is already a scheme in place to deal with rogue landlords.

Safeagent - state that the additional licensing scheme is intended to cover 'some section 257 HMOs' but does not specify which section 257 HMOs would be included and which would be excluded. We would not support a proposal to include all converted blocks of flats, as defined in section 257 of the Housing Act 2004, within a borough wide additional licensing scheme

For properties converted since 1 June 1992, a Building Control completion certificate would satisfy this requirement. But for properties converted before that date, it would be very difficult for a layperson to assess compliance with the Building Regulations 1991 and many local authority licensing teams would struggle to make a definitive assessment. Letting agents cannot be expected to make this sort of judgement.

3.4.3 Fees

The RLA wrote that the fee:

'is an unnecessary financial burden to put on landlords...likely, pass the cost on to tenants in the form of increased rents'.

The fear that the licensing fee would be passed onto tenants was expressed a number of times by both residents, tenants and landlords.

RLA - The council have made no mention in the fee structure document if tacit consent applies should the processing of the licence goes beyond the advertised times, as well as not provided a timescale for the length of processing time for a licence application RLA - The proposed fee of £1250 for a new application for an additional licence is excessively high for a landlord to pay

Safeagent - We would ask the council to publish clear service standards setting out the timescale for processing and approving licence applications and to publish regular updates so that performance in this area can be monitored

Safeagent - For the selective licensing scheme, we note the intention is to charge £900 per property. We believe this is excessively high.

3.4.4 Conditions

There was a very detailed response from Safeagent in respect to some of the conditions which will be considered and responded to in detail in the consultation response document.

3.4.5 Enforcement

There is support from both landlords and tenant organisations that the scheme should be enforced, especially activities that find unlicensed properties and identifying rogue landlord behaviour.

Landlord groups stated that no details on the operational approach had been provided and asked whether it was joined up and co-ordinated with the police service.

ARLA -Many licensing schemes fail due to the lack of adequate resources needed to undertake the necessary enforcement activity

Licensing schemes heavily focus on the administration involved, often directing staff away from enforcement to process applications

Safeagent- To achieve better regulation of the private rented sector and improve consumer protection, it is important the council takes a holistic approach that extends far beyond the proposed licensing scheme. Since October 2014 it has been a requirement for all letting agents and property managers to belong to a government-approved redress scheme

3.4.6 Further views and alternatives

The RLA stated that they:

‘support a system of self-regulation for landlords whereby compliant landlords join a co-regulation scheme which deals with standards and complaints in the first instance’

4 Conclusion

This report describes the consultation exercise undertaken by the London Borough of Havering between 26 June 2019 and 20 September 2019 about the possible introduction of additional scheme for 1) houses in multiple occupation (HMO) to cover six wards previously not included in the first licensing designation and 2) a selective licensing scheme in two wards in the borough. The report contains information about the methods used and a detailed presentation of the findings from a wide range of stakeholders.

Appendix 1 – Independent facilitators reports

Appendix 2 – Written submissions from organisations