

## **Notice of a public meeting of**

### **Housing and Community Safety Policy and Scrutiny Committee**

- To:** Councillors Fenton (Chair), Pavlovic (Vice-Chair), Baker, Mason, Musson, Norman and Vassie
- Date:** Tuesday, 16 February 2021
- Time:** 5.30 pm
- Venue:** Remote Meeting

### **AGENDA**

**1. Declarations of Interest**

At this point in the meeting, members are asked to declare any personal interests not included on the Register of Interests, any prejudicial interests or any disclosable pecuniary interests which they may have in respect of business on this agenda.

**2. Minutes**

(Pages 1 - 4)

To approve and sign the minutes of the Housing and Community Safety Scrutiny Committee meeting held on 11 December 2021.

**3. Public Participation**

At this point in the meeting members of the public who have registered to speak can do so. Members of the public may speak on agenda items or on matters within the remit of the committee. Please note that our registration deadlines have changed to 2 working days before the meeting, in order to facilitate the management of public participation at remote meetings. The deadline for registering at this meeting is at 5.00pm on Friday 12 February 2021.

To register to speak please visit [www.york.gov.uk/AttendCouncilMeetings](http://www.york.gov.uk/AttendCouncilMeetings) to fill out an online registration form. If you have any questions about the registration form or the meeting please contact the Democracy Officer for the meeting whose details can be found at the foot of the agenda.

#### Webcasting of Remote Public Meetings

Please note that, subject to available resources, this remote public meeting will be webcast including any registered public speakers who have given their permission.

The remote public meeting can be viewed live and on demand at [www.york.gov.uk/webcasts](http://www.york.gov.uk/webcasts) During coronavirus, we've made some changes to how we're running council meetings. See our coronavirus updates ([www.york.gov.uk/COVIDDemocracy](http://www.york.gov.uk/COVIDDemocracy)) for more information on meetings and decisions.

#### **4. Consultation on Additional House in Multiple Occupation (HMO) licensing in York** (Pages 5 - 68)

This report asks the Committee to consider the evidence base and make a recommendation regarding the five options to improve standards within the Council's HMO's, and provide any comments on the proposed HMO licensing process, prior to the Executive making a decision.

#### **5. Urgent Business**

Any other business which the Chair considers urgent.

## Scrutiny Officer

Robert Flintoft

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For more information about any of the following please contact the Democracy Officer responsible for servicing this meeting:

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- Copies of reports and
- For receiving reports in other formats.

Contact details are set out above.

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**我們也用您們的語言提供這個信息 (Cantonese)**

**এই তথ্য আপনার নিজের ভাষায় দেয়া যেতে পারে। (Bengali)**

**Ta informacja może być dostarczona w twoim (Polish)  
własnym języku.**

**Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)**

**یہ معلومات آپ کی اپنی زبان (بولی) میں بھی مہیا کی جاسکتی ہیں۔ (Urdu)**

** (01904) 551550**

City of York Council

Committee Minutes

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Meeting	Housing and Community Safety Policy and Scrutiny Committee
Date	11 December 2020
Present	Councillors Fenton (Chair), Pavlovic (Vice-Chair), Baker, Mason, Vassie, Musson and Norman (substituting for Cllr Wells)
Apologies	Councillor Wells

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## 6. Declarations of Interest

Members were asked to declare, at this point in the meeting, any personal interests not included on the Register of Interests or any prejudicial or discloseable pecuniary interest that they might have in respect of the business on the agenda. None were declared.

## 7. Minutes

Members approved the minutes from the meeting held on 2 November 2020 noting two typos to be amended. Members also discussed the Committee's work plan, it was noted that the Committee would have a forum meeting on 16 February 2021 and was intending to consider Affordable Housing on Private Developments at that meeting. The next full meeting of the Committee was scheduled for 23 March 2021. It had been proposed that the Committee received an update on Community Safety at the meeting on the 23 March 2021, there was also a request from the Committee that this include river safety in the city.

Resolved: That the minutes of the meeting held on 2 November 2020 be approved and signed as a correct record.

## 8. Public Participation

It was reported that there had been three registrations to speak under the Council's Public Participation Scheme. However, due to technical issues one of these speakers was unable to speak at the meeting.

Tom de Simone spoke in relation to item 5 on the agenda and suggested the Committee support option 3 in the report as the best option presented. He thanked the Council for bringing forward a programme for insulating

council properties in the city, but noted that the work would only be the beginning and York would need to retrofit the majority of its houses to reach net carbon zero by 2030. He also noted his support for the option providing the possibility of creating new green jobs and the benefits of the programme to helping individuals in fuel poverty and improving public health.

Ivana Jakubkova also spoke in relation to agenda item 5 and asked that the Committee support option 3 to deliver quality retrofitting over quantity with the funding available to the project. She noted the need to develop skills in the sector as retrofitting can be done badly and that cities like York could take a lead in delivering quality retrofitting. She noted that she was involved in holding the event York Open Eco Homes and would be happy for the Council to attend to show the work they had done in regards to retrofitting.

## **9. Homeless Winter Night Provision 20/21**

Officers introduced the report, outlining the work the Council had taken with partners to eliminate rough sleeping in York. They outlined the role COVID-19 had played in how the Council had supported rough sleepers and how they had been able to access additional accommodation from hotels in the city when hotel business was down.

Members discussed the breakdown of figures in the report and compared the number of Priority Needs Acceptances and the reasons for the loss of a last home. Officers outlined the work that could be undertaken with those that lose a home from advice to providing housing, they noted that many cases could be resolved before someone would need to be housed by council services. It was also noted that those that came under the Priority Needs Acceptance were those the Council had a duty to house.

Members enquired about several reasons for the loss of last accommodation that were on course to rise in 2020-21 from where they were in 2019-20. One area identified was domestic violence, officers did note that numbers fluctuate and a wider sample of data would show this more accurately. However, they also explained that COVID-19 had exacerbated a significant issue in domestic violence. It was also noted that when someone presents as homeless to the Council it can be only one of several issues affecting the individual and therefore, the Council wished to improve a multiagency front door approach to support residents.

Groups that face increased vulnerability such as young LGBTQ people and members of the BAME community were discussed and whether the Council was able to identify people from these groups or if they could be masked in

larger groups of data. Officers noted the challenges of 'hidden homelessness' and agreed with Members that council data could provide greater analysis to ensure vulnerable groups were being successfully supported and would look to work with groups and specialist services in the city to provide support.

Resolved:

- i. The Council is to seek to create greater ties with groups working in the city with vulnerable groups to ensure greater support for vulnerable individuals.
- ii. That the Committee recommend to Customer and Corporate Services Scrutiny Management Committee that the Committee have added to its work plan a report on the development and evolution of the council's Homeless and Housing Services.
- iii. That the report be noted.

Reason: To ensure that the Council support those that are homeless or facing homelessness in the city.

## **10. Council Housing Energy Retrofit Programme**

Officers provided a presentation to the Committee on the options that would be considered by the Executive on 15 December 2020. Members considered and discussed the 3 options in the report and it was outlined that option 3 was recommended by officers. This is because it would allow the council to access West Yorkshire Combined Authority (WYCA) advice for the programme, retrofit properties, and develop skills in the city.

Discussion took place around the prospect of developing skills and whether the Council could ensure small and medium sized local businesses would be able to have access to these skill development and contracts. It was noted that the Council would need to follow its procurement rules but the project would aim to provide long term confidence to a growing supply chain and a key element of the Council's strategy would be to work with local businesses' to develop the right skills and grow a successful small and medium sized enterprise market.

The Committee discussed engagement with residents and it was noted that while the Council was targeting specific Council properties, they would only work with residents interested in having the property they were living in retrofitted. Members also enquired about how the Council would measure success of the project and it was noted that in the first phase of project if

the council choose option 3 then success could constitute a reduction in fuel poverty and more energy efficient properties.

Members discussed how the Council might learn from retrofitting projects both in the UK and abroad, noting a specific project in Malmo Sweden. Questions were also raised about the private rented sector and it was confirmed that Government consultation suggested that rental properties would need to reach an energy rating of C or above by 2028 and new properties by 2025. In regards to Council houses being retrofitted, Members enquired as to whether the Council would have any mechanism to recover expenditure on the programme should a property be subject to Right to Buy. Officers noted that some mitigations were in place including the expectation of a larger amount received from a sale receipt due to the retrofit increasing the value of the property. Members also discussed further steps to tackling health inequalities and climate change related to housing in the city and potential avenues to investigate such as local energy plans and district heating.

Resolved:

- i. The Committee recommended that the Executive agree to option 3 in the report;
- ii. The Committee also requested that the Executive consider how to ensure local SME's can be engaged with later stages of retrofitting work, that the council seek to undertake a people centred approach to the work, and to aim to ensure the Council adequately recoups the cost retrofitted houses that are subject to Right to Buy to enable more of the Council's properties to be retrofitted.

Resolved: To ensure that the Council achieves its goal of reaching Net Carbon Zero by 2030 and support residents by reducing fuel poverty.

Cllr S Fenton, Chair

[The meeting started at 5.37 pm and finished at 7.27 pm].



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## Housing and Safer Neighbourhoods Scrutiny Committee

16<sup>th</sup> February 2021

### Consultation on Additional House in Multiple Occupation (HMO) licensing in York

#### Summary

1. City Of York Council operates the national mandatory licensing scheme for HMOs. This licensing scheme seeks to improve the condition and the management of these properties. Licensing does not control the number and distribution of HMOs. This is achieved through Planning and specifically the Article 4 Planning Directive put in place in April 2012.
2. Since 1<sup>st</sup> October, 2018, all HMOs with 5 or more occupants who form more than one household are required to be licensed. In York there are approximately 3000<sup>1</sup> HMOs with around one third of these subject to regulation through mandatory licencing, leaving two thirds of HMO's not subject to this proactive approach. The mandatory licensing of larger HMOs in York has been effective in regulating and improving the standard of accommodation offered to let within this sector. Licensing has encouraged a positive interaction with landlords and allowed for any problems presented by each house to be managed on an individual basis through a bespoke set of licence conditions.
3. A HMO licence seeks to ensure that the property meets minimum standards by ensuring that the:
  - 1) Property is reasonably suitable for occupation as a HMO (**physical standards**)
  - 2) Management arrangements are satisfactory (**management standards**) including having passed a recognised training qualification or to do so within a 18 month period of issuing the licence
  - 3) Licensee and manager are fit and proper persons (**Fit and Proper**)

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<sup>1</sup> Number of private sector HMOs excluding University owned and Privately owned Halls of Residences which are regulated by Approved Codes of Practises

**test).** The applicant must be the most appropriate person to hold the licence. Attached is a copy of our current implementation policy (Annex A).

4. In March, Executive will be asked to consider whether to support the undertaking of a statutory consultation on additional HMO licensing based on existing evidence. This additional licensing would cover HMO's occupied by 3 or 4 individuals from two or more households. This paper is brought before Housing and Safer Neighbourhoods Scrutiny as an opportunity to consider the evidence base, make a recommendation regarding the five options to improve standards within our HMO's, and provide any comments on the proposed HMO licensing process.
5. This work responds to the Council Plan 2019-23 which states that we will 'Investigate the case to extend HMO licensing to smaller HMOs and work with partners to maximise energy efficiency in private sector housing.' An attached report (Annex B) outlines the work undertaken by officers to date and sets the context for this report as well as providing the existing evidence base to support this ambition.
6. The five options available to improve standards within the city's HMO's are:
  - 1) Voluntary accreditation
  - 2) Informal Area Action
  - 3) Management Orders
  - 4) Additional Licensing in targeted wards
  - 5) Additional Licensing citywide

### **Option 1: Voluntary Accreditation**

7. The Council initially supported the Universities in running a Voluntary Code of Practice for landlords to sign up to a set of standards up until 2013. The weakness in this approach was that there was no supporting inspection programme alongside the set of standards. As such, some landlords signed up but didn't meet the standards. In 2012, the universities brought this scheme to a close and the council stepped forward to operate its own voluntary accreditation scheme, called YorProperty. This was initially successful with 150 Landlords/Agents and around 600 properties, including some of the larger student private halls of residence being advertised through the website. However, once HMO

licensing was brought in this replaced the need for voluntary accreditation for a number of properties. As such numbers dwindled, the programme became unsustainable and was brought to a close in 2018. So whilst we could re-introduce a voluntary accreditation, it is not likely that landlords who chose not to be part of this programme previously will engage in it now and therefore it is unlikely that there will be a meaningful chance in the quality and standards we are seeking to achieve.

### **Options 2: Informal Area Action**

- 8 The Council could consider creating a non-statutory informal action area where there are high concentrations of poorly managed or maintained properties. The driver for the housing improvement would come from a combination of council activity through advice and support. However, as with option 1 this would not be enforceable and therefore would not support residents who live in the houses of landlords who do not wish to engage.

### **Options 3: Management Orders**

9. Alternatively the Council could use other powers in the Housing Act 2004. Specifically Management Orders where there are comprehensive and serious management failures. The use of Management Orders (MOs) is resource intensive working on individual properties and therefore on individual properties does not provide value for money. We would not be able to tackle a large number of HMO's utilising MO's. The use of MO's can also be considered to be heavy handed and can cause problems for the Council when attempting to work collaboratively with landlords.
10. Both option 2 and 3 are expensive and do not generate an income to support the activity. Such works would therefore likely be funded from Council Tax. This seems unfair when many of the problems are due to poor management practices by landlords or agents operating in a buoyant market place. Options 4 and 5 (Additional licensing) are self financing with the fee covering the cost of licensing; the fee will be paid by the applicants and not by the wider community.

### **Option 4: Additional Licensing in targeted wards**

11. The attached report provides clear evidence that there are a significant proportion of HMOs in certain wards which are being managed ineffectively so as to give rise, or be likely to give rise, to one or more

particular problems either for those occupying the HMOs or for members of the public. The wards being:

- a) Hull Road;
- b) Guildhall;
- c) Fishergate;
- d) Heworth;
- e) Micklegate;
- f) Osbaldwick and Derwent; and
- g) Fulford and Heslington

12. Specifically the report highlights key issues around both poor housing conditions and poor management issues both in terms of properties which have recently been licensed following the extension of mandatory HMO licensing and also the wider evidence base gathered from the Office for National Statistics (ONS), Building Research Establishment evidence, Energy Performance Certificate data and complaints data (pages 13-31).

#### **Option 5: Additional Licensing citywide**

13. Alternatively licensing could be extended to all HMOs in the city across all wards and would include all smaller multi-occupied properties not currently subjected to Mandatory HMO Licensing. However, there isn't a strong evidence base that HMO's are poorly managed outside of the wards named in option 4.
14. Critically when the Council is considering to introduce any additional licensing scheme (option 4 or 5) it must be able to demonstrate that it does so in line with the provisions of the Housing Act 2004. The Council can evidence that it has tried different approaches to improve the sector including initially thorough the voluntary code of practice run in partnership with the Universities and then the Council operated voluntary accreditation scheme. Clearly both these schemes have not been effective with dealing with the problems and that poor conditions and management of HMOs have continued to be identified.

#### **Recommendation and Scrutiny Steer**

15. Our recommended proposal is therefore that we introduce a targeted HMO licensing scheme in the wards with the highest concentrations and poorest conditions. Our proposal seeks to consult about this approach to help tackle the problems we identified in the evidence base.

16. Should the Executive in March determine that there is sufficient evidence to consider an additional licensing scheme there is a statutory requirement to consult for a minimum period of 10 weeks on any proposals to designate an area as being subject to additional licensing. Covid presents a challenge in terms of undertaking consultation. Should the Executive decide to undertake a consultation on additional HMO licensing, the following process is proposed:

- Online questionnaire tailored to gauge a cross section of views on the proposals from our residents promoted through ward and communities groups ;
- Online focus groups with key stakeholder groups such as the universities and student bodies;
- Other key organisations such as the Police, HMRC, and Border Agency
- Drop in sessions in various parts of the City (subject to Covid restrictions at the time);
- E-communications through social media and the Council`s website; and
- Online Workshops with Landlords and Letting Agents.

Upon completion of the consultation, a report detailing the results would be referred back to the Executive for consideration at a future meeting. This would include a range of options which respond to the consultation results.

17. This report is brought before Scrutiny to gain insight from the committee in respect of the general proposals and to help shape any recommendations presented to Executive in March. Specifically Scrutiny are asked to comment on the following issues:

- i. Does Scrutiny support the creation of an additional licensing regime based on the evidence provided here and subject to the results of a 10 week consultation?
- ii. Are Scrutiny supportive of a proposal for a targeted licensing regime (Option 4) which seeks to tackle the HMO's in the wards where evidence suggests standards are poorest?
- iii. Are Scrutiny supportive of the proposed consultation approach outlined within this report in respect to additional HMO licensing?

18. Comments made by Scrutiny Committee will be summarised and presented to Executive in order to inform their decision in March.

19. Financial Implications

For options 1, 4 and 5 above, a fee income would be generated to fund the resources required to operate these schemes. However, options 2 and 3 could not be funded from existing budget or resources and would require additional funding.

20. Legal Implications

Comments from the legal team have been incorporated into the main contents of the report.

Contact Details

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Sarah Owen, Senior Legal  
Officer  
Finance – Sam Sidebottom,  
Accountant

**Chief Officer Responsible for the  
report:**

**Report**  **6<sup>th</sup> February 2021**  
**Approved**

Michael Jones  
Interim Assistant Director of Housing and  
Community Safety

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## Licensing of Houses In Multiple Occupation Implementation Policy 2018

### General Policy Statement

The council aims to encourage, support and regulate private landlords and agents to provide safe and well managed properties, free from category 1 hazards. Inform and support tenants around what they can expect<sup>1</sup>. Good quality Houses in Multiple Occupation (HMOs) provide a source of affordable and flexible housing for residents in the city.

This is the revised implementation programme for HMOs which are required to be licensed by law . From the 1<sup>st</sup> October 2018 all HMOs occupied by more than 5 unrelated occupants who form two or more households will need to be licensed, irrespective of the new storeys.

To support this aim and to ensure that we are complying with the new law we are changing how we licence Houses in Multiple Occupation, the changes reflect the:

- Housing Act 2004 and regulations/orders made there under
- Other legislation such as the Energy Efficiency (Private Rented Property)(England and Wales) Regulations 2015
- Best Practise from other councils
- First Tier Property Tribunal judgements,
- The councils wider strategic objectives in particular relating to sustainability

Where it relates to a new HMO then the proposed licence holder will need to ensure that the standards are achieved by complying with the licence conditions prior to a HMO being licensed and let.

The three tests being that the:

- 1) property is reasonably suitable for occupation as a HMO (**physical standards**)
- 2)management arrangements are satisfactory (**management standards**) **including having passed a recognised training qualification or to do so within a 18 month period of issuing the licence**
- 3) licensee and manager are fit and proper persons (**Fit and Proper test**) The applicant must be the most appropriate person to hold the licence.

<sup>1</sup> Strategic Aim 2 Private Sector Housing Strategy

## Licensing of Houses In Multiple Occupation Implementation Policy 2018

The council is aware that enforcement action on its own is insufficient. We will continue to work in partnership with landlords/managing agents and letting agents and other partners. By offering a wide range of support/advice for example on our website, landlord training and events. We will also continue to offer further support and recognition to landlords who offer standards well above the minimum by supporting the YorProperty Accreditation Scheme and the Good Landlord Awards.

**Within three years the council will review the impact of these changes to determine whether there is a need to introduce a local Additional Scheme to extend licensing of HMOs further.**

### HMO Licence – general

A licence will be valid for a maximum of five years and will specify the maximum number of occupants and households for the house and the number and occupancy levels within each room used as sleeping accommodation.

A licence will not relate to more than one HMO

It cannot be transferred to another person if the licence holder dies, the licence cease to be in force.

During the first 3 months beginning with the date of the licence holder's death the house will be treated as if a temporary exemption notice (TEN) has been served

A licence ends automatically after 5 years or after the period specified in the licence (if that is different).

Unless the HMO ceases to be licensable within that period or the council grants a temporary exemption notice on the expiry of that period the HMO must be re-licensed or an Interim Management Order made in respect of it

A licence will be granted:

- Where the house is reasonably suitable for occupation as a HMO (**physical standards**) and

## Licensing of Houses In Multiple Occupation Implementation Policy 2018

- The management arrangements are satisfactory (**Management Standards**) this includes the licence holder having attended a recognised training course or to do so within a 18 month period of issuing the licence.
- The licensee and manager are fit and proper persons (**Fit and Proper test.**) The applicant must be the most appropriate person to hold the licence

A property which meets the requirements of being the licensing of HMOs order will need to be licenced even if the property does not have the relevant planning permission. This does not mean that the property has the relevant planning permission.

### Implementation Policy

#### Previous Policy

It is intended that following the receipt of the application form for a new HMO that an officer will visit the property. All matters relating to existing conditions relating to safety will need to meet before a licence will be issued. A full housing health and safety rating system inspection will be carried out at the same time. Any matters arising from that part of the inspection will be dealt with under Part 1 of the Act

Where a property doesn't meet the new safety conditions and amenity standards but can do so within a six months period then a draft licence will be issued giving the licence holder six months to meet those conditions.

#### Proposed Policy

All new HMO applications will be risk assessed to determine when to visit the property during the 5 year period. The risk assessment will have regard to

- 1) The size of the sleeping rooms and whether they meet the new minimum legal standards
- 2) Safety issues – in particular relating to fire safety, gas safety and electrical safety
- 3) Level of amenities
- 4) History of compliance with the landlord and any person managing the property. Including whether they have.

Where it is determined that the property does not meet the requirements relating to safety and/or room sizes. Then the property will be visited before a licence is issued to ensure that these safety matters are resolved and the appropriate action is taken having regards to our enforcement policy. Where the minimum room sizes are not met a licence

## Licensing of Houses In Multiple Occupation Implementation Policy 2018

	<p>condition will be issued having regard to the room size giving the licence holder up to 18 months to ensure that the room either meets the standard through building work or that it ceases to be used.</p> <p>NOTE the council does not intend to reduce the licensing fee in these circumstances.</p> <p>Where the property is safe and meets the minimum room size standards but lacks the level of amenities (bathroom and kitchen) in line with Appendix A. The licence holder will be normally be given up to 18 months to comply with these provisions.</p>
<b>The Three Tests</b>	
<b>That the property is reasonable suitable and meets the physical standards</b>	
<b>Licence Condition</b>	<b>Reason for change</b>
<p>All rooms used for sleeping accommodation will meet the minimum room sizes outlined in the regulations. Each room will specify the size of the room and the number of people who can occupy that the room</p>	<p>New Condition: To introduce and implement the conditions relating to the <u>minimum</u> room sizes for sleeping accommodation in line with the regulations The Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018.</p> <p>NOTE the council can determine in certain circumstances, using the Housing Health and Safety Risk assessment that where <u>minimum</u> room sizes are insufficient require higher standards.</p>

## Licensing of Houses In Multiple Occupation Implementation Policy 2018

<p>Where gas is supplied to provide copies of the annual gas safety certificates at the application stage and on demand</p>	<p>No change</p>
<p>The licence holder must ensure that carbon monoxide detectors are fitted to all high-risk rooms, in accordance with EN50291. Where this is not being met the licence will be issued with a condition that the matter is required within a maximum of 28 days</p>	<p>Amended condition: Change in the timescale to reduce the period of the licence condition from 6 months to 28 days in line with time period specified in the Smoke and Carbon Monoxide Alarm (England) Regulations 2015.</p>
<p>To provide a copy of the current electrical safety certificate for the fixed electrical wiring at the application stage. The electrical safety inspection should be done at intervals not exceeding 5 years. Where matters have been raised by the competent person as needing urgent or remedial the licence holder must have declared that the work must have been completed.</p>	<p>No change</p>
<p>To provide current copies of the Portable Appliance Tests (PAT) that a competent person has carried out those checks within two years of making the licence condition. To ensure throughout the period of the licence that the checks are carried out at least once every two years. The licence holder must supply to the authority on demand a copy of the current PAT certificate.</p>	<p>No change</p>

## Licensing of Houses In Multiple Occupation Implementation Policy 2018

<p>Where furniture is provide that the licence holder on applications confirms that it meets the Furniture and Furnishings (Fire Safety) Regulations 1988 as amended and that continues to do so throughout the period of the licence.</p>	<p>No change</p>
<p>To provide a copy of the comprehensive fire risk assessment for that property and details of the satisfactory means of fire escape and fire detection system.</p>	<p>Amended condition: to introduce word comprehensive for guidance on risk assessments and standards visit North Yorkshire Fire and Rescue <a href="http://www.northyorksfire.gov.uk/businesssafety/legislation">http://www.northyorksfire.gov.uk/businesssafety/legislation</a></p>
<p>To provide copies of the Energy Performance Certificate for that property (EPC). The condition will ensure that the property complies with the Minimum Energy Efficiency Standards as per the regulations or that the Licence holder has registered the property on the PRS exemption register and provided the relevant evidence to support the exemption</p>	<p>Amended condition : to require landlords to provide full Energy Performance Certificates to ensure that they comply with the Minimum Energy Efficiency Standards so that properties with F and G ratings are not being let unless the license holder has registered their property on the Government website and has provided the relevant evidence to support the exemption. <a href="https://prsregister.beis.gov.uk/NdsBeisUi/failover-landing">https://prsregister.beis.gov.uk/NdsBeisUi/failover-landing</a></p>
<p>To ensure that adequate heating is provided which is fully controllable by the tenants, and safely and properly installed and maintained. It should be</p>	<p>No change</p>

## Licensing of Houses In Multiple Occupation Implementation Policy 2018

<p>appropriate to the design, layout and construction, such that the whole of the dwelling can be adequately and efficiently heated. The space heating may be centrally controlled but such systems should be operated to ensure that tenants are not exposed to cold indoor temperatures and should be provided with controls to allow the tenants to regulate the temperature within their unit.</p> <p>Conditions can be imposed restricting or prohibiting the use of occupation of particular parts of the house by persons occupying it where there are specific health and safety issues or where the minimum room sizes are not being met.</p> <p>Conditions can be imposed requiring work to ensure facilities or equipment to be made available or to meet any such standards that the works are carried within such period or periods as may specify by in or determined under the licence.</p> <p>To provide details about facilities and equipment to be made available in the house for the purpose of meeting the kitchen, bathroom and personal washing facilities standards as per prescribed in the national standards as outlined in Appendix B. Should the standards not</p>	<p>No change but this will be linked to the condition relating to minimum room sizes.</p> <p>No change</p> <p>Amended condition: Where a property is not visited for any other purpose (room size or fire safety) and the property is deemed to be meet all other requirements apart from the amenity standards in appendix B then a licence condition</p>
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## Licensing of Houses In Multiple Occupation Implementation Policy 2018

<p>be met then a licence condition will be issued to provide the necessary standards within a period up to 18 months of issuing the licence.</p> <p>Conditions will be imposed requiring any such facilities and equipment provided to be kept in good repair and proper working order.</p>	<p>will be issued giving up to 18 months to meet those standards</p> <p>No change</p>
<b>That the management arrangements are satisfactory</b>	
<b>Conditions</b>	<b>Reason for amendment or change</b>
<p>A system for tenants to report defects, including in emergencies and arrangements to respond to those requests.</p>	<p>No change</p>
<p>To provide a written statement of terms of the tenancy to the tenants within 28 days moving in to the HMO.</p>	<p>No change</p>
<p>A process for dealing with anti-social behaviour occurring within the HMO by tenants or their visitors.</p>	<p>No change</p>
<p>Arrangements in place for periodic inspections to identify where repair or maintenance is needed. Should be met and that the licence will be issued to ensure that they continue to be met.</p>	<p>No change</p>

## Licensing of Houses In Multiple Occupation Implementation Policy 2018

<p>To keep smoke alarms in working order. To supply on demand with a declaration by the licence holder as to condition of the and positioning of such alarms</p>	<p>No change</p>
<p>The name, address and telephone number for licensee and manager is to be displayed in the common parts of the HMO.</p>	<p>This will be deemed to be met if kept in a file for public viewing in the communal areas of the licenced property</p>
<p>Copies the of a valid safety certificates safety (gas/electrical/ PAT testing) and a plan showing the internal layout of the property specifying the rooms to be displayed in the common parts.</p>	<p>Amended condition: to include all relevant safety certificates to be displayed and a copy of the layout of the property specifying the rooms used for sleeping accommodation and the maximum number of occupants. This will be deemed to be met if kept in a file for public viewing in the communal areas of the licenced property</p>
<p>A copy of the licence and licence condition to be displayed in the common parts.</p>	<p>Amended condition: to include the licence conditions to be provided at the house. This will be deemed to be met if kept in a file for public viewing in the communal areas of the licenced property</p>
<p>The licence holder must ensure that the exterior of the property is maintained in a reasonable decorative order and state of repair.</p>	<p>No change</p>

## Licensing of Houses In Multiple Occupation Implementation Policy 2018

<p>The licence holder must ensure that the refuse is stored correctly at the property. That information about refuse storage and collection is given to the tenants at the start of the property including a copy of the refuse collection calendar and at the end of the tenancy the tenant is provided with information and guidance on the correct disposal of excess and bulky waste</p> <p>All other matters relating to the management of the HMO will be dealt with under the management regulations.</p>	<p>Amended condition: To ensure that licence holders are provide adequate storage at the property. That the refuse storage and collection is being properly managed by the licence holder by requiring the licence holder to give information to the tenant about the refuse storage arrangements and collection at the beginning, during and end of the tenancy in line with the council scheme</p> <p>No change</p>
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**Fit and proper person test for licence holders and managers –No Changes**

- A person will be considered fit and proper if the council is satisfied that:
- They have no unspent convictions relating to offences involving fraud, dishonesty, violence or drugs, or sexual offences
  - They have no unspent convictions relating to housing or landlord and tenant law
  - They have not been refused a HMO licence, been convicted of breaching the conditions of a licence or have acted otherwise than in accordance with the approved code of practice under S197 of the Act within the last five years
  - They have not been in control of a property subject to an HMO Control Order an Interim Management Order (IMO) or Final Management Order (FMO) or work in default carried out by a local authority
  - They have not been subject to legal proceedings by a local authority for breaches of planning, compulsory purchase, environmental protection legislation or other relevant legislation.

## Licensing of Houses In Multiple Occupation Implementation Policy 2018

The council will require all applicants to complete a self-certification form. The council will reserve the right to check the accuracy of the information with its partners

### Transitional arrangements

All existing HMOs which are required to be licenced from the 1<sup>st</sup> October 2018 for the first time will be treated in line with this policy statement. Where the licence holder does not comply with the provisions relating to room sizes they will be provided with a notification specifying the condition(s) and a time period by when the licence holder should comply with those conditions, this period must not exceed 18 months from the granting of the licence.

All existing licenced HMOs (3 storeys or more with 5 occupants) will need to comply with the new conditions from the time they make their first grant (renewal) after the 1<sup>st</sup> October 2018.

### Enforcement Policy

The policy is written in the context of York's Housing Strategy and Private Sector Housing strategy and must be read in conjunction with the latest enforcement policy.

### Fees

Fees for new applications for HMO required to be licensed from the 1<sup>st</sup> October 2018. In line with recent Court decisions – there will be two stages to the fee payment.

- The first fee payment will need to accompany the licence application.
- The second payment will need to be received where the application is complete enabling the council to carry out the necessary checks to enable the notice of intention to issue the licence but before the final decision to grant the licence is issued. At this point there will be a reduction to the second stage fee where the applicant has already attended a recognised training course (reduction of £75) and/or is an active member of YorProperty ( reduction of £85).

Band	Number of occupants	First stage	Second stage	Total
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## Licensing of Houses In Multiple Occupation Implementation Policy 2018

		fee Submitted with application form £	fee Submitted a draft notice of intention Stage £	Fee £
Band A	5/6 occupants	657	438	1095
Band B	7/9 occupants	765	510	1275
Band C	10/14 occupants	837	558	1395
Band D	15 +occupants	945	630	1575

### Renewal of HMO fees

Band	Number of occupants	First stage fee Submitted with application form £	Second stage fee Submitted a draft notice of intention Stage £	Total Fee £
Band A	5/6 occupants	477	318	795
Band B	7/9 occupants	513	342	855
Band C	10/14 occupants	531	354	885
Band D	15 +occupants	585	390	975

In the case of licence holders applying for a subsequent licence for the same property (renewal) to charge a lower fee than the full HMO application licence fee if it is provided within time. Where an application is received and it's either incomplete or is outside of time to charge the full fee for an initial application. The other discounts relating to HMO training and YorProperty apply.

Where the council has to do more than the normal administrative work and identifies an unregistered HMO and bringing it into the licensing regime there will be an additional charge based on the hourly enforcement rate. Note this applies only where the council makes a decision does not take formal enforcement action.

## Licensing of Houses In Multiple Occupation Implementation Policy 2018

### Amenity Standards – Bathroom Facilities

The table below outlines the minimum facilities which should be provided

Number of persons Sharing	1 bathroom with WC	1 bathroom and 1 separate WC	2 bathrooms with WCs	2 bathrooms, a separate WC, or a third bathroom	3 bathrooms with WC
3 or 4	✓	x	x	x	x
5	x	✓	x	x	x
6	x	x	✓	✓	✓
7	x	x	✓	✓	✓
8	x	x	✓	✓	✓
9	x	x	x	✓	✓
10	x	x	x	✓	✓
11 - 15	x	x	x	x	✓

Where a separate toilet is provided the room should contain a wash hand basin with hot and cold running water. The wash hand basin should be correctly connected to waste drainage. The term bathroom means a room containing a bathing facility, which can either be a suitable bath or shower compartment or both.

## Licensing of Houses In Multiple Occupation Implementation Policy 2018

### Amenity Standards- Kitchen Facilities

The table below outlines the minimum facilities which should be provided

<b>5 People</b>	<ul style="list-style-type: none"> <li>• 1 sink</li> <li>• 1 x 4 ring cooker</li> <li>• other amenities as detailed below</li> </ul>
<b>6-7 people</b>	<ul style="list-style-type: none"> <li>• 2 x sink or 1x sink and 1 x dishwasher</li> <li>• 2 x 4 ring cooker or 1x 6 ring cooker and microwave</li> <li>• other amenities as detailed below</li> </ul>
<b>8-10 people</b>	<ul style="list-style-type: none"> <li>• 2 x sink or 1 x sink and 1 x dishwasher</li> <li>• 2 x 4 ring cooker</li> <li>• other amenities as detailed below</li> </ul>
<b>11+ people</b>	<p><i>Please contact the Housing Standards and Adaptations Service</i></p>

### Other required kitchen amenities in a shared house

Fridge with freezer space -0.075m<sup>2</sup> or one 1 shelf per person

Worktops 1.5m x 0.5m for up to 5 sharers, additional 0.5m work surface for each additional user up to 3m x 0.5m

Electrical sockets 4 in addition to those used for major appliances (fridge, microwave, washing machine)

## Licensing of Houses In Multiple Occupation Implementation Policy 2018

Dry food Storage 0.08m<sup>3</sup> or 1 shelf per person (the space in the unit under the sink is not acceptable)

Where cooker rings/hobs are provided they must suitably and safe located and suitably connected to the fixed electrical system.

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## **Considering the case for additional licencing of houses in multiple occupation**

Housing standards and adaptations  
Housing Services  
City of York Council

December 2020

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## 1. EXECUTIVE SUMMARY

York is well known nationally and internationally as a great place to live, work and visit. However, the city is also well known for its high housing costs. Partly due to the problems associated with a lack of affordable housing supply many people look to the city's private rented sector (PRS) to meet their housing needs. Whilst overall standards in the PRS are good, the sector displays some of the worst conditions.

Houses in multiple occupation (HMOs) are a significant sub-sector of the private rental market. Ongoing pressures within the housing market mean that for many, including a rising proportion of families, the only chance of a decent home is in a properly managed and well regulated, licensed HMO.

The provision of good quality housing for York residents is a key priority. The Council Plan 2019-23, York Health and Wellbeing Strategy 2017-22 and the York and North Yorkshire Housing Strategy 2015-2021 all call for more decent, energy efficient and safe homes that have a positive impact on people's health and wellbeing.

The mandatory licensing of larger HMOs in York has been effective in regulating and improving the standard of accommodation offered to let within this sector. Licensing has encouraged a positive interaction with landlords and allowed for any problems presented by each house to be managed on an individual basis through a bespoke set of licence conditions. With over 3,000<sup>1</sup> HMOs in the city only one third are currently regulated through mandatory licencing.

Data shows that HMOs are more typically found in areas closer to the city centre and the two major university complexes, such as Hull Road ward, Guildhall ward, Fishergate ward, Heworth ward, Micklegate ward, Osbaldwick and Derwent ward and Fulford and Heslington ward. Many of these areas have high numbers of older properties where poor conditions are more prevalent. Analysis of energy performance certificate data shows a strong correlation between HMO density and lower EPC ratings. Likewise, analysis of environmental complaints data shows some correlation between high HMO areas and ASB, noise and waste complaints, though the link could also be due to these areas being typically more densely populated and towards the urban core where such complaints are more prevalent.

Additional licensing targeted at wards with the highest number and concentrations of HMOs in the city would allow for the positive effects of licencing to be extended and for the benefits to be available to all.

Alternatives to extending HMO licencing have been considered but in each case the weaknesses are deemed to outweigh the strengths with none of the alternatives giving a long-term solution to problems within the HMO sector. The benefits of additional licencing to the council include a consistent approach to HMOs in York, improved links with landlords and pro-active and pre-emptive involvement with the sector that minimises reactive work. A case

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<sup>1</sup> Number of private sector HMOs excluding University owned and privately owned halls of residence, which are regulated by Approved Codes of Practices

study from the midlands area<sup>2</sup> has shown that the costs associated with licencing have little if any direct impact on rents.

The council believes that licencing all HMOs in targeted areas is essential for bringing about improvements particularly in relation to property condition and energy efficiency in York's HMO rental stock.

## 2. Introduction

Access to decent affordable housing is essential to support good health and wellbeing and a good quality of life. Overall, housing standards in York are high - the physical condition of the city's housing stock is generally good across all sectors and energy efficiency levels are above the national average.

However, this overall positive picture masks disparities both between and within sectors that give rise to some concern. On the whole we find some of the worst conditions within the PRS, which includes a significant proportion of houses in multiple occupation.

Local authorities have an obligation under the Housing Act 2004 to keep housing conditions in their area under review. This includes all tenures of housing, not just stock that may be owned by the local authority.

The council has developed a number of policies and strategies to further its overall approach to property conditions. An assessment of poor housing conditions completed in 2015 forms an important contribution to the full evidence base which underpins these policies and strategies towards improving housing standards.

Councils have an obligation to enforce certain statutory minimum standards in housing and have powers that they can use to do this, while further non-mandatory powers are available to the Authority under the Housing Act 2004.

In line with our strategic ambitions to improve people's quality of life, we are focussed on utilising what tools and resources we have to tackle poor housing standards in York. To this end, this report explores the case for introducing additional licencing of HMOs in the PRS, where we know some of the worst housing standards can be found.

The York and North Yorkshire Housing Strategy recognises that, amongst other things, there are limited affordable housing options available in the city making it clear that the PRS will need to play a greater role in meeting housing needs going forward.

Landlord licencing is part of a wider set of measures to enable landlords in York to provide good quality housing within their communities and additional licencing can help alleviate the poor housing conditions and management in the HMO sector by setting and maintaining minimum standards across the city in the most vulnerable sector of York's private rental market.

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<sup>2</sup> Coventry case study outlined in section 6 of this report

Ensuring standards are maintained delivers a wide range of positive outcomes not just for individuals but for society as a whole including:

- Fewer homes that pose a risk to health and wellbeing
- Improved outcomes for families and young people
- More independence for older or vulnerable households
- Lower carbon emissions, improved energy efficiency and reduced fuel poverty
- Less anti-social behaviour
- Neighbourhoods that are more cohesive, attractive and economically vibrant

Additional licensing would require all private landlords with new HMOs to apply for a licence for each property and meet certain property and management standards before they can be let to tenants. Existing HMOs would be given set periods, outlined in our implementation policy to comply with certain conditions where they related to structural work.

## **3. Licensing of Houses in Multiple Occupation**

The Housing Act 2004 has given councils the power to introduce additional licensing of HMOs, those which fall outside of the mandatory HMO licensing definition to improve conditions for tenants and the local community in certain circumstances.

### **3.1 What is an HMO?**

A HMO is defined in Sections 254 and 257 of the Housing Act 2004. A HMO can be a building or part of a building if it is:

- Occupied by persons who form more than one household, and where those persons share (or lack) one or more basic amenities, such as a WC, personal washing and cooking facilities.
- A converted building containing one or more units of accommodation that do not consist entirely of self-contained flats. (There is no requirement that the occupiers share facilities)
- A converted building consisting entirely of self-contained flats, where the building work undertaken in connection with the conversion did not comply with the 1991 Building Regulations and more than one third of the flats are occupied under short tenancies.

The HMO must be occupied by more than one household:

- As their only or main residence;
- As a refuge by persons escaping domestic violence; or
- During term time by students.

In all cases:

- Occupation of the living accommodation must be the only use of that accommodation; and
- Rents are payable or other considerations are provided.

Under the Housing Act 2004, a household comprises:

- A single person;
- Co-habiting couples (whether or not of the opposite sex); or
- A family (including foster children and children being cared for) and current domestic employees.

Bed and breakfast and hostel accommodation occupied by individuals as their main and permanent address are also considered to be an HMO.

Certain types of buildings will not be HMOs for the purpose of the Housing Act. They are:

- Buildings, or parts of buildings, occupied by no more than two households, each of which comprise a single person only (for example, two person house or flat shares);
- Buildings occupied by a resident landlord with up to two tenants;
- Buildings managed or owned by a public sector body, such as the police, local authority, registered social landlords, fire and rescue authority and the NHS;
- Buildings occupied by religious communities;
- Student halls of residence where the education establishment has signed up to an Approved Code of Practice; and
- Buildings occupied entirely by freeholders or long leaseholders.

### **3.2 Mandatory licensing**

Under the Housing Act 2004 certain types of HMO were defined as licensable. For these HMOs there was an obligation on the landlord to apply to the local authority, where the HMO is located, for a licence. Local authorities, therefore, must be in a position to manage the application for licences. Originally, licensable HMOs were those comprising three or more storeys with five or more residents living as two or more households that share some facilities. From 1 October 2018 the definition of a mandatory licensable HMO changed and the rule regarding 3 or more storeys was removed. All properties that meet the following criteria are therefore require a mandatory HMO licence:

- It is occupied by five or more persons; Is occupied by persons living in two or more separate households; and meets
- The standard test under section 254(2) of the Act;
- The self-contained flat test under section 254(3) of the Act but is not a purpose-built flat situated in a block comprising three or more self-contained flats; or the converted building test under section 254(4) of the Act.

The total number of licensable HMOs of this nature within York using this definition is estimated to be 1,050. The council currently has issued 1030 licenses for mandatory HMOs and 14 new applications waiting to be determined. Figure 9 below provides the profile of licensed HMOs across the city.

Despite this intervention by the Government there will still be an estimated 2,000 HMOs in York that will not be subject to licensing provisions.

### 3.3 Additional licensing

In April 2015 the Secretary of State for Communities and Local Government gave Local Authorities general approval regarding the approval steps for additional and selective licensing designations in England.

When considering the introduction of an Additional licensing Scheme councils must proceed through the statutory process as laid out in Section 56 and 57 and the guidance issued under the Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2015.

Section 56 of the Act places requirements upon councils when considering a designation for additional licensing of HMOs, in that councils must:

- Consider that a significant proportion of the HMOs of that description in the area are being managed sufficiently ineffectively as to give rise, or likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public;
- Take reasonable steps to consult with persons who are likely to be affected and consider any representations made in accordance with the consultation and not withdrawn; and
- Have regard to any information regarding the extent to which any codes of practice approved under section 233 have been complied with by persons managing HMOs in the area (these codes relate to University managed accommodation).

Section 57 provides further considerations for councils in that they should ensure that:

- Exercising the designation is consistent with the authority's overall housing strategy;
- Seek to adopt a coordinated approach in connection with dealing with homelessness, empty properties and anti-social behaviour affecting the PRS as regards combining licensing with other action taken by them or others; and
- Consider whether there are any other courses of action available to them (of whatever nature) that might provide an effective method of dealing with the problem or problems in question; and
- That making the designation will significantly assist them to deal with the problem or problems (whether or not they take any other course of action as well).

The General Approval provides the condition that any consultation period for the proposed designation should not be less than 10 weeks.

The guidance for the general approval also provides examples of properties being managed "sufficiently ineffectively" including:

- Those whose external condition and curtilage (including yards and gardens) adversely impact upon the general character and amenity of the area in which they are located;
- Those whose internal condition, such as poor amenities, overcrowding etc. adversely impact upon the health, safety and welfare of the occupiers and the landlords of these properties are failing to take appropriate steps to address the issues;

- Those where there is a significant and persistent problem of anti-social behaviour affecting other residents and/or the local community and the landlords of the HMOs are not taking reasonable and lawful steps to eliminate or reduce the problems; and
- Those where the lack of management or poor management skills or practices are otherwise adversely impacting upon the welfare, health and safety of residents and/or impacting upon the wider community.

Under section 60(2) of the Act the time must be no later than five years after the date on which the designation comes into force.

## 4. Supporting information

### 4.1 National context

The Office of National Statistics (ONS) projects there will be a population increase in the UK of 11 million people over the next two decades. The English Housing Survey (EHS) 2018/19 reported that the PRS accounts for 4.6 million or 19.9% of all households, representing a doubling in proportion since the 1990s.

A large proportion of the growth has come from families with children, who now make up nearly a third of private renting households nationally. Almost half of renters are aged 35 and over and nearly a third of renters expect to be renting for the rest of their lives. Only 6% of renters say it is their preferred choice of housing.

Generally speaking, property conditions in the private rented sector are worse than any other tenure. A third of privately rented homes do not meet the government's Decent Homes Standard, while around one in 7 contain a hazard posing a serious danger to the health and safety of renters, much higher than rates in the owner occupied and social rented sectors.

Between 1998/99 and 2018/19, the proportion of private renters living in overcrowded accommodation increased from 3% to 6%. This compares to 1% of owner occupiers and 8% of social renters.

In 2018/19, the average (mean) rent (excluding services but including Housing Benefit) for households in the social sector was £102 compared with £200 per week in the PRS, a difference of £98 per week.

### 4.2 Local context - Strategic links

The Council Plan 2019-23 sets out the council's overall strategic approach to services in York. With a clear vision to *"improve peoples' quality of life"*, the council aims to deliver across eight objectives:

- Create a cleaner and greener city
- Well paid jobs and an inclusive economy
- Getting around sustainably
- Good health and wellbeing
- Safe communities and culture for all

- Create homes and world class infrastructure
- A better start for children and young people
- An open and effective council

The York Health and Wellbeing Strategy 2017-22 recognises that creating health, wealth and happiness requires more than simply managing people's health problems. The health and wealth being of people can be improved if people have jobs, good housing and are connected to families and communities.

The York and North Yorkshire Housing Strategy 2015-21 vision is to "*enable more new homes and for all housing to be of a quality, type and size which meets the needs of our communities and supports economic growth.*" Beneath this vision are number of key priorities, the most notable being:

- Increase the supply of good quality housing across all tenures and locations
- Ensure the housing stock reflects local needs
- Ensure new homes are of good design and environmental quality regardless of tenure
- Make best use of our existing stock and ensure it is a decent quality.
- Ensure all homes have a positive impact on health and wellbeing and are affordable to run

York private sector housing strategy 2016-21 sets out five strategic objectives designed to improve the condition and management of owner-occupied and PRS homes: These include:

- Encourage and support owner occupiers to maintain safe homes, free from Cat 1 hazards
- Encourage, support and regulate private landlords and agents to provide safe and well managed properties, free from Cat 1 hazards. Inform and support tenants about what they can expect
- Maximise use of the existing housing stock to increase the supply of decent affordable homes
- Enable more sustainable homes by increasing energy efficiency and reducing fuel poverty

The strategy states that investing in our homes and ensuring standards are maintained delivers a wide range of positive outcomes not just for us personally but for the city as a whole including:

- Fewer homes that pose a risk to health and well being
- Improved outcomes for families and young people
- Lower carbon emissions improved energy efficiency and reduced fuel poverty
- More independence for older or vulnerable households
- Less anti-social behaviour relating to derelict or nuisance properties
- Less poverty and communities that are more cohesive, attractive and economically vibrant

The council's Housing Standards and Adaptations team (the team) play a key role in regulating the private housing sector through education, persuasion and enforcement activities. The team are responsible for ensuring properties and landlords in the PRS meet minimum legal requirements.

The service has been working with landlords to improve conditions within the HMO stock of the city through the national mandatory HMO licensing scheme as well as statutory regulatory functions relating to maintaining minimum standards in properties in the rented sector.

A variety of interventions have been used in York to tackle problems in the HMO stock in the city. These range from providing advice and support to landlords and tenants through to the use of legislative powers to raise standards within HMOs.

The primary driver for all of the work carried out by the team is the protection of the health, safety and welfare of residents living in HMO's whether it is acting in an advisory role or regulatory role through enforcement. Where serious breaches occur legal action has been taken which has led to convictions and formal action. The outcome of this work is a healthier and safer environment in which people live.

The team works with a range of internal services including Housing options, Planning and Community Safety. The team contribute to the council's corporate objectives and there are also strong links with external agencies including in particular North Yorkshire Police and Fire and Rescue services, HMRC and UK Border Agency.

The relationship with private landlords and letting agents within the city and other stakeholders has developed over the years and events are held to inform landlords and agents of key issues that may affect them. The service also meets with letting agents, college domestic bursars and other strategic partners on a regular basis. Since 2016 it has been a legal requirement for all licence holders to hold a recognised training qualification as a condition of HMO licensing. Following receipt of a successful bid to the MHCLG the team is now able to offer online training to all landlords.

Despite the above many landlords remain disengaged until formal action is pursued by the council.

### **4.3 Demographics**

York's population increased from 190,800 in 2008 to almost 210,000 in 2018, a rise of over 10%. Almost 1 in 4 (23%) of all residents in York are aged 18-29, a much higher proportion than many other cities. Since 2001 the proportion of people in this age group rose by over 30%. Like the national picture, younger households are more likely to rent privately than older households; in 2017 those in the 25 to 34 years age group in York's PRS represented the largest group (35%).

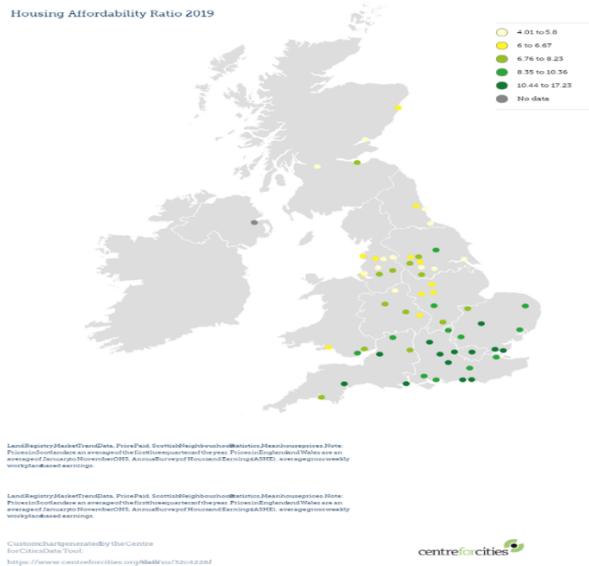
A significant factor in York's relatively young age profile is the presence of two large universities which together host around 22,000 students each year. Whilst both universities seek to offer purpose built student accommodation, this is not yet sufficient to meet all needs so many look instead to York's PRS.

### **4.4 Housing in York**

Around 85% of the 89,590<sup>3</sup> households in York are in the private sector, either owner-occupied (68% - 60,999 households) or privately rented (17.5% - 15,671 households). Virtually all the rest (15% - 13,439 households) are let as either social or ‘affordable’ rent by the council or registered social landlords (RSLs).

There are significant pressures within York’s housing market as demand outstrips supply. For many of the past 10 years the supply of new homes has fallen short of identified need. A significant minority of households face a worsening of affordability as the cost of home ownership and private rents rise faster than local incomes. In 2019 Centre for Cities<sup>4</sup> found that York’s housing affordability ratio stood at 9.05.

Fig 1. Housing affordability to earnings ratio



High housing costs have placed additional pressure on social and affordable rented accommodation let by the council and local RSLs. There are currently around 1,500 households on the council’s housing waiting list hoping to secure one of the small number of social and affordable rented homes that become available each year. A shortage of affordable accommodation pushes further demand pressures onto the PRS, including HMOs.

PRS accommodation meets a diverse range of needs. It provides a flexible option for those who do not wish to buy, face barriers to buying or are saving for a deposit. It offers a range of shared accommodation for smaller households and is increasingly used by a growing number of families. With rising costs and limited social rented homes the sector looks set to remain an important source of housing for the foreseeable future.

In line with national trends, the PRS in York has seen considerable overall growth over the past 20 years. In 2001 the sector was reported to be around 10% of total stock and this has increased to 17.5%.<sup>5</sup>

#### 4.5 HMOs in York - Number and distribution

<sup>3</sup> ONS estimate 2018

<sup>4</sup> Centre for Cities – Cities Index 2020

<sup>5</sup> ONS estimate 2018

Data shows there are currently 3,076 (19% of PRS) HMOs in York, not including university halls of residence, of which 1,029 are licenced. The data and hotspot density map below clearly shows a larger concentrations of HMOs in certain wards focussed within close proximity of the city centre and the two major university complexes.

Wards with the highest **number** of HMOs (i.e. over 100) include Hull Road, Guildhall, Fishergate, Heworth, Micklegate, Clifton, and Osbaldwick and Derwent.

Wards with the highest **concentrations** of HMOs (i.e. over 10%) include Hull Road, Guildhall, Fishergate and Fulford and Heslington.

*Table 1. HMOs by ward*

HMOs by ward					
Ward	HMOs	Licenced HMOs	Proportion of HMOs which are licenced	Number of Households (2011 Population Census)	Proportion of Households which are HMOs
Hull Road	746	335	44.91%	3984	18.72%
Guildhall	665	201	30.23%	4329	15.36%
Fishergate	559	122	21.82%	3945	14.17%
Heworth	321	136	42.37%	5785	5.55%
Micklegate	210	39	18.57%	6133	3.42%
Clifton	161	48	29.81%	5652	2.85%
Osbaldwick & Derwent	114	51	44.74%	3025	3.77%
Fulford & Heslington	78	29	37.18%	661	11.80%
Holgate	70	19	27.14%	5930	1.18%
Westfield	31	5	16.13%	6004	0.52%
Huntington and New Earswick	29	4	13.79%	5429	0.53%
Dringhouses and Woodthorpe	26	9	34.62%	4843	0.54%
Acomb	22	8	36.36%	3520	0.63%
Rawcliffe and Clifton Without	21	4	19.05%	5583	0.38%
Heworth Without	10	4	40.00%	1687	0.59%
Haxby and Wigginton	6	1	16.67%	5270	0.11%
Strensall	3	0	0.00%	3198	0.09%
Rural West York	2	0	0.00%	4218	0.05%
Bishopthorpe	1	0	0.00%	1736	0.06%
Wheldrake	1	0	0.00%	1620	0.06%
	<b>3076</b>	<b>1015</b>			

*Fig 2. Distribution of HMOs - Hotspot Density*

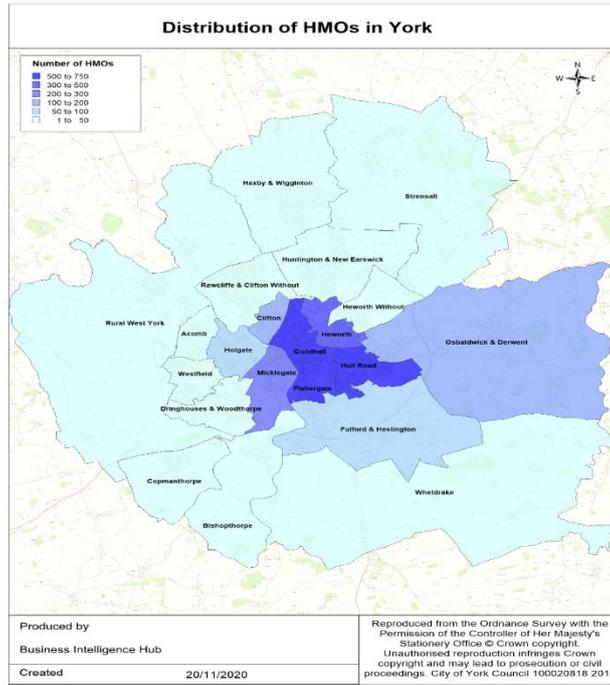
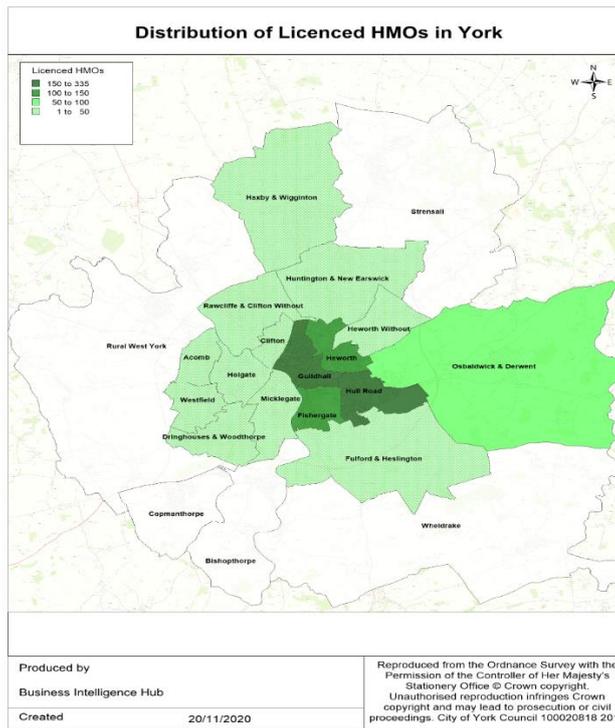


Fig 3. Distribution of licenced HMOs – Hotspot density



Planning policy in the form of an Article 4 Directive has been developed by the council to create and sustain ‘mixed and balanced communities’, by encouraging the spread of sustainable and viable options for accommodation across the city. Notwithstanding, it is clear from the data above that the city does have several areas where HMOs within the PRS are substantial in number.

The council must consider if a significant proportion of the HMOs in the area are being managed sufficiently ineffectively as to give rise to, or be likely to give rise to, one or more particular problems either for those occupying the HMOs or for members of the public.

#### 4.6 Property conditions

Information concerning the HMO stock in the city has historically been built up from operational records, however, landlords and agents are most reticent to provide the council with data unless specifically required to do so. Additional licensing would enable the collection of more detailed and accurate information about the HMO stock. This is one of the less apparent benefits of licensing.

The figures below provide relevant information regarding the stock and conditions in the PRS as reported in the 2015 assessment of housing conditions.

As previously described, MHCLG guidance provides examples of properties being managed “*sufficiently ineffectively*” and includes;

- those where the external condition and curtilage (including yards and gardens) adversely impacts upon the general character and amenity of the area in which they are located; and
- where the internal condition, such as poor amenities, overcrowding etc. adversely impact upon the health, safety and welfare of the occupiers; and
- where landlords of these properties are failing to take appropriate steps to address the issues.

It is well reported that poor housing conditions, including overcrowding and homelessness, are associated with property age and the effect of such conditions have a direct impact on health including in particular, cardiovascular diseases, respiratory conditions and mental health problems.

The age of dwellings in the PRS is therefore an important consideration as there is a direct correlation between property age and conditions - the worse conditions are generally present in older stock types. Figure 4 shows the dwelling age profile by ward which provides a means of identifying areas with properties of certain ages; for example, Guildhall, Micklegate, Clifton, Fishergate wards exhibit above average concentrations of pre-1919 and private-rented properties; sectors known to be problematic in condition terms.

*Fig 4. Dwelling age by ward*

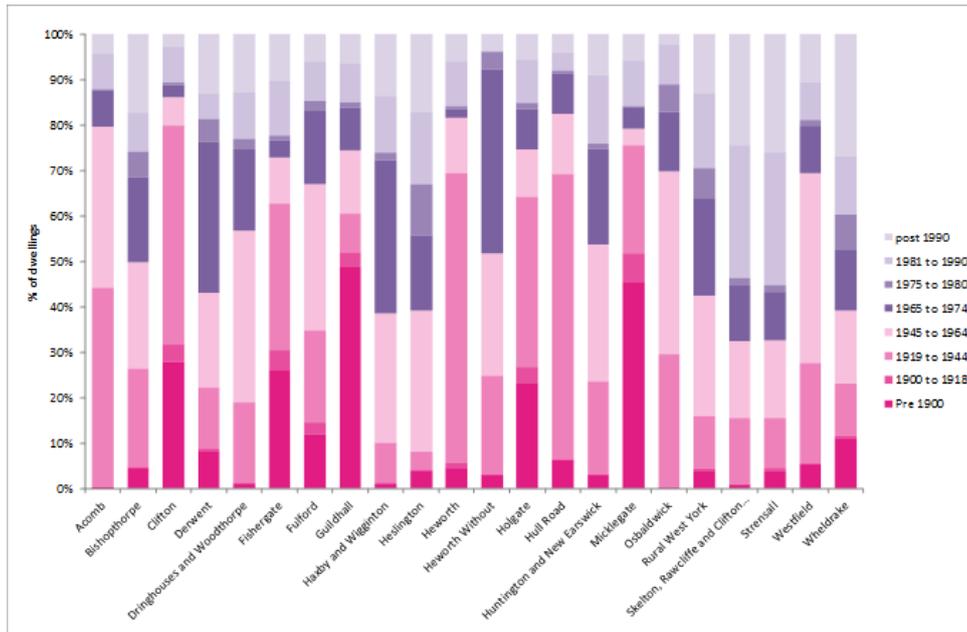
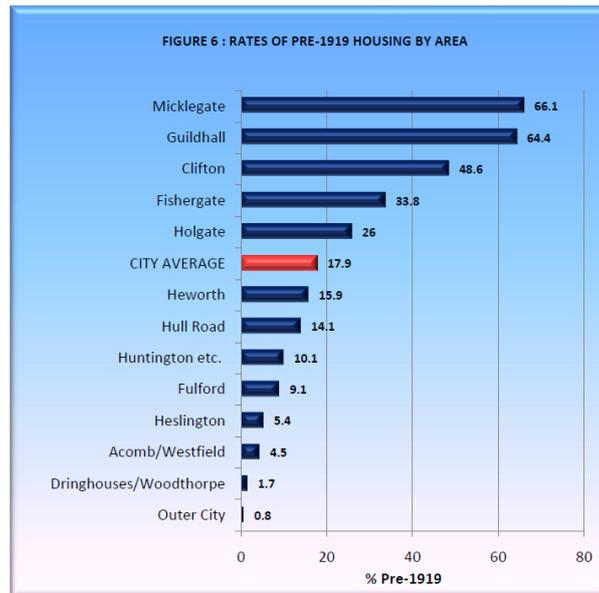


Fig 5. Rates of pre-1919 housing by ward



**4.7 Energy Performance of HMOs**

Analysis of Energy Performance Certificate (EPC) data shown below appears to show a strong correlation between wards with higher numbers of HMOs and prevalence of lower ratings (i.e. below D) both for licenced and un-licenced HMOs.

Table 2. EPC ratings by ward – licenced and un-licenced HMOs

EPC Ratings by Ward 2020 (wards with 100 or more HMOs in red)

	Licensed								No EPC	Unlicensed								No EPC
	A	B	C	D	E	F	G	Expired		A	B	C	D	E	F	G	Expired	
Acomb		1	1	5	1							7	2	2			2	
Bishopthorpe													1				1	
Clifton			10	29	7	1		3	1			2	25	65	13		9	1
Copmanthorpe																		
Dringhouses & Woodthorpe			7	2				0					5	8	2		1	2
Fishergate		1	23	82	14			14	2			7	128	233	35	1	44	2
Fulford & Heslington			15	11	3			1				1	13	24	4	1	3	
Guildhall		2	45	112	37			15	5			61	160	159	45	6	83	5
Haxby & Wigginton				1								1	2	1	1			
Heworth		5	59	59	11			3	2			1	5	60	87	16	1	23
Heworth Without			1	3								1		3	2			
Holgate			6	9	1	1		1	1			2	23	22	2	1	10	1
Hull Road		5	199	122	9			13				1	6	124	198	53	2	53
Huntington & New Earswick			1	2	1			0				2	7	11			3	
Micklegate			4	24	8			3	3			12	47	78	25		1	34
Osbalwick & Derwent		1	30	20				1				8	27	21	6		9	
Rawcliffe & Clifton Without			1	2	1							1	4	7	2		1	3
Rural West York														1				
Strensall													1	1	1			
Westfield			1	2		1	1	1					6	14	2	1	5	
Wheldrake															1			
<b>Total</b>	<b>0</b>	<b>15</b>	<b>403</b>	<b>485</b>	<b>93</b>	<b>3</b>	<b>1</b>	<b>55</b>	<b>14</b>	<b>3</b>	<b>108</b>	<b>642</b>	<b>935</b>	<b>210</b>	<b>13</b>	<b>6</b>	<b>284</b>	<b>14</b>

Table 3. EPC data for licenced and un-licenced HMOs in York

EPC data for licenced and un-licenced HMOs			
EPC Rating (incl. expired EPCs)	Unlicensed	Licensed	Total HMOs
A	3		3
B	108	16	124
C	642	395	1037
D	935	476	1411
E	210	97	307
F	13	4	17
G	6	3	9
No EPC	136	18	154
Ambiguous Address	9	6	15
<b>Total</b>	<b>2062</b>	<b>1015</b>	<b>3077</b>
% of properties with no EPC	6.60%	1.77%	5.00%
% of properties with F or G rating	0.92%	0.69%	0.84%
% of properties with expired EPC	13.77%	9.26%	12.28%

#### 4.8 Housing health and safety rating system (HHSRS)

The HHSRS provides the minimum standard for housing, in that a property should be free from a Category 1 hazard. There are 29 criteria for assessing hazards in a property and typically hazards arise from faults or deficiencies in the dwelling which could cause harm.

In short, a dwelling should be able to supply the basic needs for the everyday life of the range of households who could normally be expected to live in a dwelling of that size and type. The

dwelling should not contain any deficiency that might give rise to a hazard which interferes with, or puts at risk, the health or safety, or even the lives, of the occupants.

The council is under a duty to take action in the case of Category 1 hazards and if necessary it may carry out any necessary remedial work and reclaim the costs. The council has a power (discretion) to take action in the case of all Category 2 hazards (i.e. those which carry lower risks).

Figure 6 below shows the number of hazards, grouped into major hazard categories, in York compared to England as a whole, across the private sector housing stock (owner occupied and privately rented)<sup>6</sup>. Compared to England, York has a similar level of dwellings with category 1 hazards, although there are higher rates of falls on stairs. Around 15% of all private dwellings in York have a category 1 hazard.

There are an estimated 12,920 category 1 hazards in York’s private sector stock, of which over 4,194 (32%) are within the privately rented sector.

Fig 6. Percentage of private sector stock with HHSRS hazards

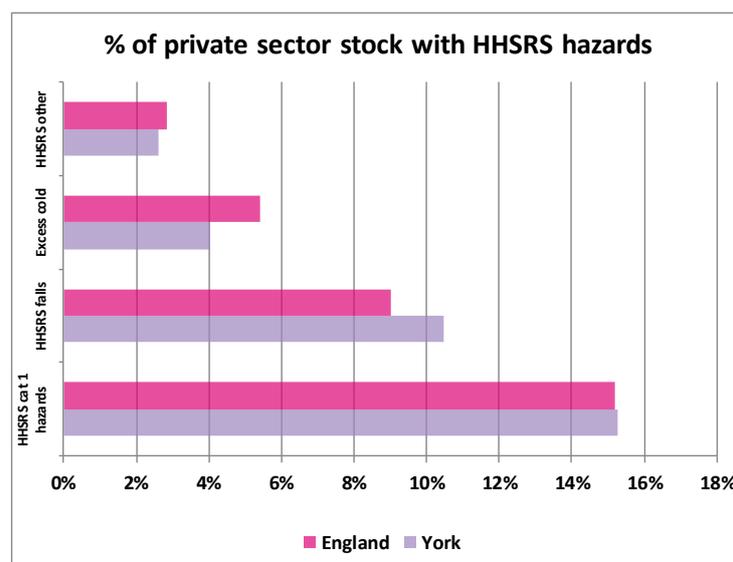
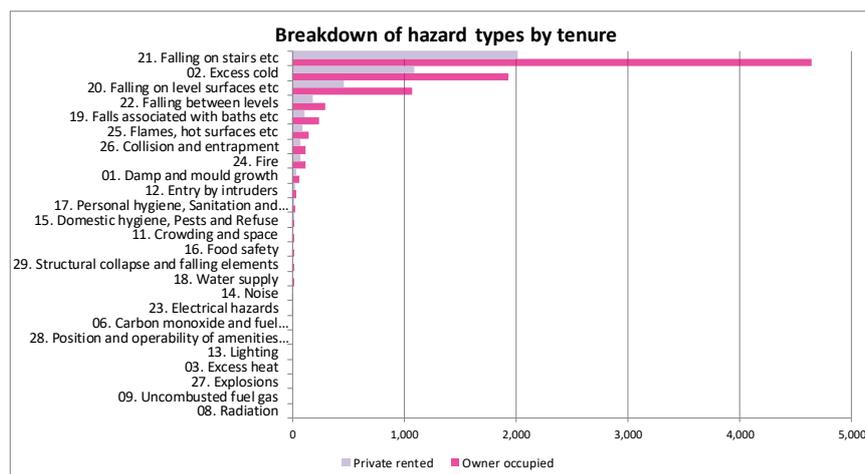


Fig 7. Estimated number of category 1 hazards in York by tenure

<sup>6</sup> BRE Health Impacts and Costs of Poor Housing in York 2015



The two main hazards in the private rented sector are falls on stairs (2,015 hazards) and excess cold (1,088 hazards).

#### 4.9 Enforcement of HMOs

The reason why landlords of HMOs have a tougher regime to deal with is because of all of the problems that can arise in this type of accommodation. Although there are many well managed and trouble free HMOs, generally most are at the lower end of the scale. Tenants, especially those renting a room in a shared house, are often unable to afford anything more. Frequently they will be on housing benefit and because they are unrelated but living in close proximity, studies have shown that there are far more likely to be problems with HMOs.

The council has always taken a positive approach in dealing with concerns about HMOs and concentrates on four main areas of enforcement:

- Unlicensed HMOs
- Non-compliance of licence conditions
- Management
- Health and Safety

Under the Housing Act 2004 the council is responsible for administering the mandatory licensing scheme described earlier in this report. Where the council suspects there is an unlicensed HMO it has powers to inspect without providing any notice to the occupants or the owner. Once a property has been found to be operating without a licence the council will instigate a formal investigation and decide, based on a range of risk factors, what course of action is appropriate.

In cases of poor management the council has powers under the Management of Houses in Multiple Occupation (England) Regulations 2006. The general principle of the regulations is to protect the health, safety and welfare of occupants by requiring landlords and managers of HMOs to comply with certain duties.

Effective management procedures should take account of the characteristics of the residents, including age, vulnerability, disabilities or dependencies. It may be necessary to make special

provision for individuals such as providing written information in large print or in another language.

Effective management also relies in part on residents being fully aware of their responsibilities. They should be made aware that they are either required by regulation or by the terms of the tenancy agreement not to act in a way that obstructs the manager, or causes nuisance or annoyance to neighbours, and also be made aware of the consequences if they do not comply with this.

HHSRS applies to HMOs as any other housing accommodation and the council is required to keep property conditions 'under review'. The application of HHSRS in HMOs is a reactive approach as the council relies upon residents and tenants to complain so that it is aware of issues.

In the case of licensed HMOs the council is required to carry out a HHSRS inspection once every five years. This is very much reactive. More recently with austerity, resources have resulted in reactive services taking priority.

During the period 1 October 2018 to 30 September 2020 the council's housing standards team received 872 service requests including empty property enquiries. Of these, 698 related to private sector housing conditions and tenancy relations. 156 of these were dealt with by the technical support team relating to HMO general advice including advice on the HMO licencing process. 542 were passed to the HMO enforcement team of which 63 related to tenancy advice matters and 415 related to housing conditions such as damp and mould, overcrowding and lack of gas safety certificates. 64 requests related to investigations into potential un-licensed HMOs

The council adopts a robust approach to taking enforcement and has a mechanism to resolve issues either through legal action, which may result in the landlord/licence holder or manager being prosecuted, or through further licensing controls such as revoking a licence and restricting their ability to run HMOs.

Where necessary and appropriate the council will pursue formal action against landlords and agents.

The council also adopts informal measures such as re-inspections, which carry a higher charge for licence renewals or require landlords to employ the services of a competent and professional agent. This is dependent upon a number of factors but in general terms consideration is given to the following:

- The gravity of the offence alleged;
- The complexity of what is in issue;
- The general record and approach of the person responsible;
- The severity of the consequences for the defendant and others affected; and
- Whether it is in the best interests of the public to deter others from similar failures.

In some cases the breaches found do not always warrant formal action so the council will adopt an informal approach and provide the landlord with a warning or caution. If a landlord

fails to heed these warnings about problems then the council has applied enforcement and prosecuted where the problem is serious enough and it would be in the public interest to take such action.

#### 4.10 Impact of COVID-19

The restrictions/changes caused by the Pandemic have been significant in a number of ways including tenants initially being restricted to their homes and using them for the first time as their work/office space; landlords/agents were unable to respond to complaints about repairs during the full lockdown or as lockdown was eased due to the availability of furlough arrangements by their contractors and initially the reduction in the number of proactive inspections carried out by officers compared to the same period last year.

Government guidance issued early on the Pandemic changed the council’s approach to tackling issues advising to take a more informal approach to resolve issues found. Although this increased the workload of officers as it meant that time periods to ensure compliance were reviewed and extended both for licensing conditions and for notices, it enabled officers to still concentrate on the worst conditions in the poorest sector.

Going forward we understand that there are likely to be serious delays in the court system due to the backlog of cases. It is even more important that during this period that there is a mechanism such as Additional HMO licensing that seeks to bring up to standard the poorest properties by identifying the properties/landlords and working with the sector to ensure compliance.

*Fig 8. HMO inspection data for the second half of 2018 following the implementation of the extension HMO licensing*

Inspections	Category 1 Hazards	Category 2 Hazards
<b>117 inspections</b> 16 rooms found to be mis-measured	<b>4 category 1 Hazards</b> 1 lack of natural lighting 3 excess cold <b>1 suspended Prohibition Notice</b>	<b>86 Category 2 Hazards</b> 74 Fire safety 8 Fall Hazards 2 Structural collapse 1 Crowding and Space 1 Collision and Entrapment <b>18 Hazard Awareness Notices</b>

*Fig 9. HMO inspection data for the second half of 2019*

### HMO inspection figures for the second half of 2019

Inspections	Category 1 Hazards	Category 2 Hazards
<b>141 inspections</b> 3 rooms found to be mis-measured and licence conditions varied  <b>34 properties were found to be meet standards</b>	<b>8 in total</b> 7 Excess cold resulting in 6 Hazard Awareness Notices 1 Letter/Email 1 Hazard removed before action taken 1 Crowding and space resulting in Suspended Prohibition Order	<b>123 in total</b> <b>99 Fire Safety</b> 68 Hazard Awareness Notices 7 Hazard Information Sheets 24 letters/emails <b>15 Fall Hazards</b> 9 HAN 6 HIS <b>4 Flames, Hot surfaces</b> 4 HANS <b>3 Damp and Mould</b> 2 HANS 1 letter/email <b>2 Lighting</b> 2 HANS

Fig 10. HMO inspection data for the first half of 2020

### HMO inspection figures for the first half of 2020

Inspections	Category 1 Hazards	Category 2 Hazards
<b>41 Inspections</b>  <b>14 properties were up to standard</b>  <b>Management issues in two properties dealt with by email</b>	<b>2 in total</b> <b>1 fall hazards</b> 1 Letter/Email <b>1 Fire safety issue</b> 1 hazard Awareness Notice	<b>30 in total</b> <b>25 Fire Safety</b> 4 Hazard Awareness Notices 1 Hazard Information Sheets 20 letters/emails <b>4 Fall Hazards</b> 2 HAN 2 letters/emails <b>1 Damp and Mould</b> 1 HANS 1 letter/email

Fig 11. HMO renewals inspection data for the second half of 2019

### HMO Renewals inspection figures for the second half of 2019

Inspections	Category 1 Hazards	Category 2 Hazards
<b>22 inspections</b> 3 rooms found to be mis-measured and licence conditions varied  <b>11 properties were found to meet standards</b>	<b>2 in total</b> <b>1 Hazards of Fire</b> Letter <b>Crowding and Space</b> Suspended Prohibition Order	<b>11 in total</b> <b>7 Hazards relating to Fire</b> 3 Hazard Awareness Notices 2 Hazard information sheets <b>2 hazards of Falls</b> 2 letters/emails <b>1 hazard of Excess Cold</b> Letter <b>1 hazard of Damp and Mould</b> Letter/email

Fig 12. HMO renewals inspection data for the first half of 2020

### HMO Renewals inspection figures for the first half of 2020

Inspections	Category 1 Hazards	Category 2 Hazards
<b>27 inspections</b>  <b>19 properties were found to meet standards</b>  <b>Management Issues</b> <u>Fire</u> 1 Letter/emails <u>General Management</u> 3 Letters/emails	None	<b>5 in total</b> <b>2 Hazards relating to Fire</b> 2 Letters/emails <b>3 Hazards of Falls</b> 3 letters/emails

#### 4.11 HMO Licence Conditions

The following table outlines the type and number of conditions imposed on HMOs that were licensed during the first six months of licensing after the 1<sup>st</sup> October 2018.

All HMOs are issued with standard licence conditions but where the licence holder, or property or management fails to meet a required standard then a specific licence condition is imposed. The table shows the number of HMOs that failed to meet the standards in 2018. The licence holders have all been issued with conditions to ensure that these matters have been resolved. It is expected that should additional HMO licensing is extended to other HMOs then similar levels of issues will be found.

*Table 4. Type and number of conditions imposed on licenced HMOs in first six months of licencing.*

Standard licence conditions	New HMOs and existing HMOs that have been renewed
The number of properties failing the <b>room size</b> and a condition imposed. NB this could relate to more than one room in the property	58
The number of properties failing to meet the required level of <b>kitchen</b> facilities for the number of occupants and households	192
The number of properties failing to meet the required level of <b>bathroom</b> facilities for the number of occupants and households	12
The number of properties failing to meet the required level of <b>toilet</b> facilities for the number of occupants and households	82

The number of properties failing to provide the level of <b>controllable heating</b> facilities for the number of occupants and households	25
The number of properties failing to meet the required minimum energy efficiency levels and licence conditions imposed	78
The number of properties failing to meet the required level of carbon monoxide detection in the house	205
The number of licence holders who fail to meet the required level of training by attending and passing a recognised training course	312
<b>Total</b>	<b>609</b>

#### 4.12 Environmental complaints data

Analysis of complaints data gives insights into potential correlations between anti-social behaviour, noise and waste complaints and areas with higher numbers and concentrations of HMOs.

There appears to be some correlation between anti-social behaviour complaints and areas with higher numbers of HMOs, though these areas are typically within or adjacent to the urban core where ASB may more typically be found and reported. There appears to be no correlation with ASB and HMOs in Osbaldwick and Derwent ward.

Likewise, there appears to be some correlation between HMO prevalent areas and noise complaints, with five of seven areas with the most HMOs appearing towards the top of the list. Again though this may not be evidence of a direct causal link as areas with far fewer HMOs also feature in the top 10 wards. The concentration of noise complaints is within or adjacent to the urban core where housing is more densely situated.

Waste complaints are also concentrated within or towards the urban core where wards with the greatest number of HMOs are found, though again some of this could be related to littering and commercial operations within or towards the city centre.

*Table 5. Anti-social behaviour complaints by ward Dec 2019 – Oct 2020*

<b>Number of Anti-Social Behaviour Complaints by Ward - 16th December 2019 to 16th October 2020</b>	
<b>Ward (those with more than 100 HMOs shown in red)</b>	<b>Number of Complaints</b>
Guildhall Ward	58
Westfield Ward	34
Micklegate Ward	21
Holgate Ward	20
Clifton Ward	9

Acomb Ward	7
Heworth Ward	6
Fishergate Ward	5
Haxby & Wigginton Ward	4
Hull Road Ward	4
Huntington & New Earswick Ward	4
Dringhouses & Woodthorpe Ward	3
Strensall Ward	3
Rawcliffe & Clifton Without Ward	2
Rural West York Ward	1
Bishopthorpe Ward	0
Copmanthorpe Ward	0
Fulford & Heslington Ward	0
Heworth Without Ward	0
Osbaldwick & Derwent Ward	0
Wheldrake Ward	0
<b>Total</b>	<b>181</b>

Fig 13. Antisocial behaviour – Hotspot density

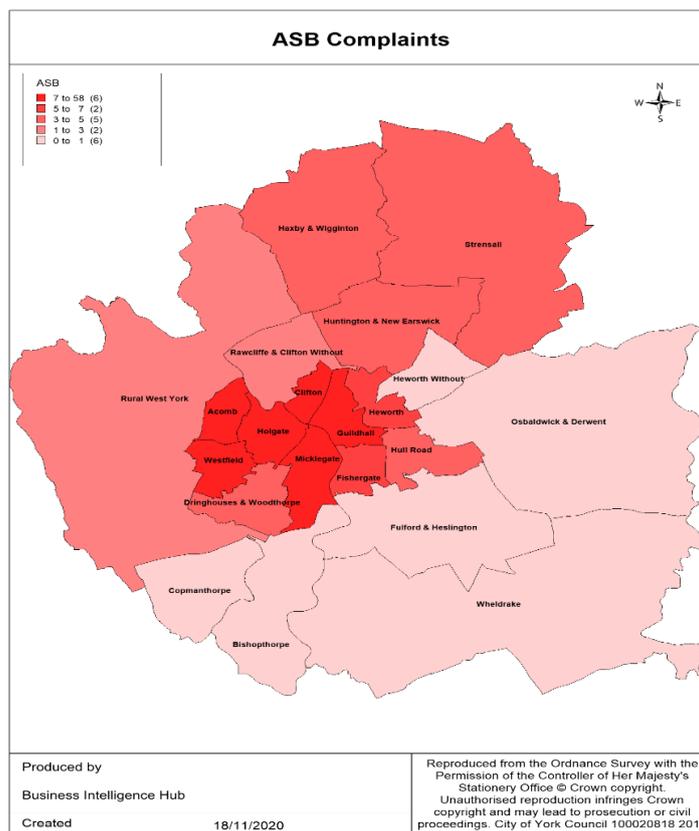


Table 6. Noise complaints by ward

Noise Complaints by Ward - 16th December 2019 to 16th October 2020	
Ward (those with more than 100 HMOs shown in red)	Number of Complaints
Westfield Ward	350

Guildhall Ward	294
Heworth Ward	294
Holgate Ward	159
Micklegate Ward	148
Hull Road Ward	122
Clifton Ward	114
Rawcliffe & Clifton Without Ward	93
Acomb Ward	88
Fishergate Ward	75
Huntington & New Earswick Ward	63
Dringhouses & Woodthorpe Ward	43
Osballdwick & Derwent Ward	31
Heworth Without Ward	30
Haxby & Wigginton Ward	27
Strensall Ward	19
Bishopthorpe Ward	15
Rural West York Ward	15
Fulford & Heslington Ward	14
Wheldrake Ward	12
Copmanthorpe Ward	4
<b>Grand Total</b>	<b>2010</b>

Fig 14. Noise complaints – Hotspot density

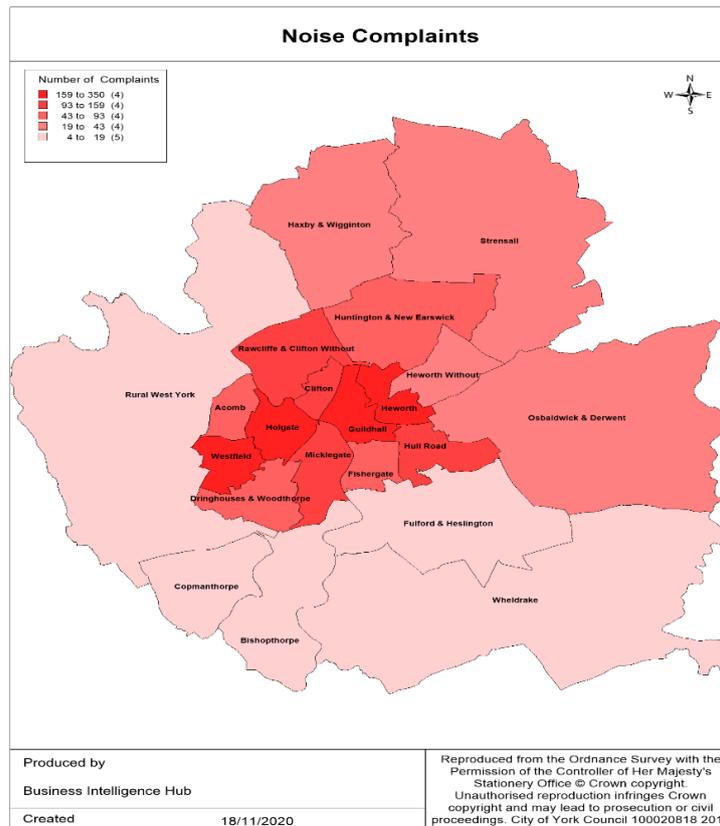


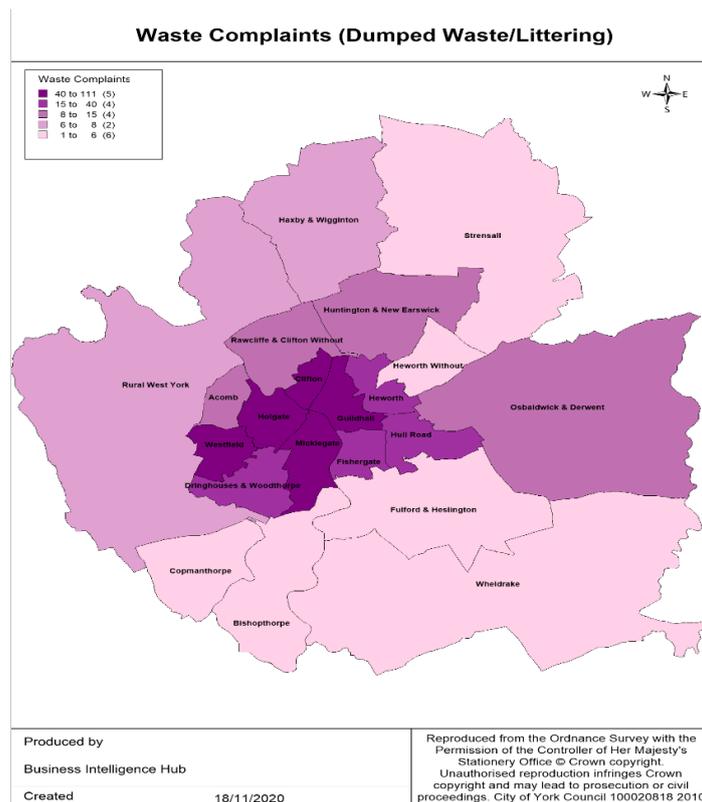
Table 7. Waste complaints by ward

**Waste Complaints by Ward - 16th December 2019 to 16th October 2020**

<b>Ward (those with more than 100 HMOs shown in red)</b>	<b>Number of Complaints</b>
<b>Guildhall Ward</b>	111
<b>Micklegate Ward</b>	85
Holgate Ward	75
<b>Clifton Ward</b>	63
Westfield Ward	40
<b>Fishergate Ward</b>	26
<b>Heworth Ward</b>	26
<b>Hull Road Ward</b>	19
Dringhouses & Woodthorpe Ward	15
Rawcliffe & Clifton Without Ward	14
Huntington & New Earswick Ward	10
<b>Osbaldwick &amp; Derwent Ward</b>	9
Acomb Ward	8
Rural West York Ward	7
Haxby & Wigginton Ward	6
Copmanthorpe Ward	5
Strensall Ward	5
Bishopthorpe Ward	4
Fulford & Heslington Ward	4
Heworth Without Ward	3
Wheldrake Ward	1
<b>Grand Total</b>	<b>536</b>

\* includes Littering and Dumped Waste

*Fig 15. Waste complaints – Hotspot density*



#### 4.13 HMO Case studies

The English Housing Survey (EHS), which is an annual survey conducted to “*determine people's housing circumstances and the condition and energy efficiency of housing*” Department for Communities and Local Government (2014) *English Housing Survey – Headline report* DCLG February 2015, reported that HMOs are often old, solid wall properties with low levels of insulation and sometimes expensive electric heating systems and.... “*Section 257 HMOs pose particular problems because they are by definition older, poorly converted properties*”.

The evidence and experience over the years, in York, is that some of the worst conditions are present in HMOs. The case studies below highlight what we have uncovered in recent years:

##### **Guildhall Ward**

Property A was a converted mid terrace house situated on a main road, which is occupied by five student tenants. The ground floor comprises two bedrooms, a kitchen/lounge area and a separate WC. Bedroom 2 was in the middle of the house and sandwiched between bedroom 1, the communal kitchen/lounge area and the hallway. As a result of this, the bedroom had no outside window and no natural light or fresh ventilation. It did have a UPVC internal window which opens into the communal kitchen/lounge area, giving no privacy or any fresh air. In addition this window was also a fire hazard as it did not give a 30 minute fire resistance and was adjacent and looked into a communal kitchen.

The above hazards were scored under the HHSRS system for lighting and fire hazards, lighting scored a band C Cat 1 hazard, fire scored band F, Cat 2 hazard. A suspended prohibition notice was served

### **Clifton Ward**

Property B was a converted mid terrace property occupied by 5 tenants who were not a cohesive group. The ground floor comprised two bedrooms, kitchen and bathroom. There were signs of damp in the area between the kitchen and bathroom. The front bedroom showed signs of damp to the front walls, there was no Thermostatic Radiator Valve (TRV) on the radiator and the door was an old Pine door.

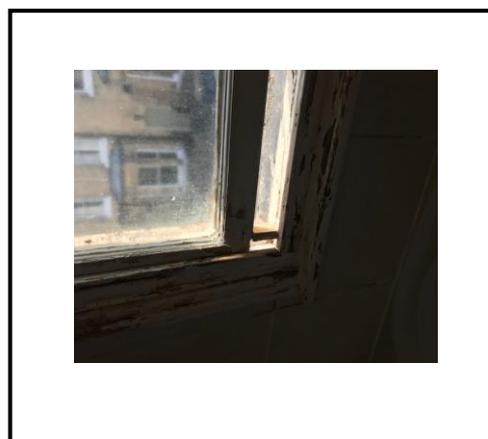
The second bedroom was tenanted by a male who was away for long periods of time, the bed was positioned in the middle of the room, the door which was old Pine door and was badly damaged. Upstairs in the property there were three further bedrooms, a bathroom and separate WC.

The smallest bedroom at the rear of the property was too small to be used. The front bedroom also showed signs of damp to the front wall and the door on middle bedroom also showed signs of traumatic damage and was an old Pine door.

The separate toilet was very small, cold, with no wash basin and the suspended ceiling was missing. The upstairs bathroom was at the front of the property and when the shower curtain was pulled back from the window area, the state of the wooden sash window was revealed, the bottom wooden frame was hanging off at a 45 degree angle and appeared to be only held in place in one corner, the glass had no support and the condition of the rest of the frame was extremely poor and required immediate repair. This would not have been found had the shower curtain not been moved. On inspection it was found that the property requires updating, redecoration and repair in several places. Notice was served on the landlord.

### **Heworth Ward**

During an inspection of property C, in addition to fire safety issues, we noted potential structural movement with numerous external and internal cracks in the walls around the ground floor extension housing the shower room and bedroom 2 of the property. We asked to be provided with a structural engineers report to inform of any works which need to be carried out. It found that the extension was suffering from structural movement and that although the structure was safe, further works were necessary within the next 6 – 12 months to limit the risk of further damage. The landlord confirmed that they would be undertaking the recommended remedial work in the report within the timescale stated.



### **Fishergate Ward**

Property D was a 1960s open plan house with limited fire safety measures. Means of escape straight down an open plan staircase linking the first floor landing and the open plan lounge.

Deficiencies found:

- Lack of general 30 min separation
- No interlinked detection
- Ceiling breach in kitchen
- Lack of low level full length railing

Action required:

- Escape windows to four of the six bedrooms
- Fire doors throughout to include removal of an ornate glass pane between the lounge and the kitchen
- Thumb turn on FEP in rear yard as GF bedroom means of escape was to the small enclosed rear yard
- Interlinked detection
- Full length railing to be fitted to reduce the gap at floor level

A Hazard Awareness Notice was served.

Property E was a large detached property of 23 lets with 35 occupants. The lets comprised of flats, bedsits and bedrooms. The property had three shared kitchens but no communal living accommodation. On inspection the property was found to be run down. One of the bedroom lets was found to be under the 6.51m<sup>2</sup> of useable floor space. Also two bedrooms were over the 6.51m<sup>2</sup> rule but well under 10m<sup>2</sup> of useable floor space. Six other bedrooms which were all over the 6.51m<sup>2</sup> rule were looked at due to the lack of a communal living space. Using old guidelines and liaising with other local authorities, we worked out that due to the lack of this communal living space one person should have 10m<sup>2</sup> of useable floor space, 2 persons should have 15m<sup>2</sup> of useable floor space and a kitchen area should be at least 3m<sup>2</sup>.

From the initial inspection we had initially found that three of the bedrooms should not have any people using them, one as mentioned was under the 6.51m<sup>2</sup> useable floor space rule.

We measured the six rooms in question in the presence of the HMO Licence applicants. We found after measuring these rooms a further two rooms were under the 10m<sup>2</sup> of useable floor space. So in total five letting units were not to be used.

HMO licence conditions were imposed outlining how many people could live in each of the units in the property, that 5 of these units could not be let under the current set-up at the address. We talked with the owners of the property and they are now in the process of converting a large bedroom near one of the large kitchens, to make a large kitchen diner/ living area, to service the needs of the residents in the rooms that were deemed to be unusable. We have stipulated what should be in the new area, i.e. comfortable seating, table and chairs etc.

**Hull Road Ward**

Property F was a two storey HMO with six bedrooms. One bedroom was below 6.51m<sup>2</sup> (not occupied)

Deficiencies found included:

- Lack of fire detection and fire doors
- Built in appliances damaged and broken but not replaced by agent
- Furniture in poor condition and not compliance with The Furniture and Furnishings (Fire Safety) Regulations 1988.
- External communal area (rear garden) overgrown and poorly maintained
- Lack of refuse receptacles – Agent advising tenants it's their responsibility to supply
- Leak to WC and bath (two separate rooms) which had cause water ingress to floor boards and damages floor covering (ongoing and not addressed by Agent)

Conservatory to the rear had rotten windows causing water seepage and infestation of wood lice (potential Excess cold) unable to heat due to drafts around windows.

A Hazard Awareness Notice was served for fire safety and management regulations breaches served for failure to maintain property.

## 5. Consultation

There is a statutory requirement to consult for a minimum period of 10 weeks on any proposals to designate an area subject to Additional Licensing. The results of the consultation will be considered as part of the development of the proposed structure of any additional licensing scheme.

The consultation will need to demonstrate that it has satisfied the legal requirement to take reasonable steps to consult with those people who may be affected by the designations. This includes neighbouring areas outside of the identified areas.

Subject to Covid restrictions during the consultation period a plan will be been produced setting out how the Council will meet these requirements, in summary this will include the following.

- Online questionnaire tailored to gauge cross section of views on the proposals
- Focus groups with key stakeholder groups, Universities and Student bodies
- Residents and other key organisations such as the Police
- Drop in sessions in various parts of the City
- E-communications through social media and the Council's website
- Workshops with Landlords and Agents to present the proposals.

## 6. Option appraisal and the benefits of additional licencing

### 6.1 Option appraisal

As part of the Option Appraisal process the council must consider;

- whether there are other courses of action available to them that might provide an effective method of dealing with the problem or problems in question;
- that making the designation will significantly assist them to achieve the objective; and
- that making the designation will significantly assist them to deal with the problem or problems in question

Alternative approaches to extending HMO licensing have been considered and evaluated against the strengths of additional licensing. Each approach is a valuable tool for dealing with the problems in the HMO stock. However in each case the weaknesses outweigh the strengths.

The options considered include possible interventions for tackling substandard and 'problematic' smaller HMOs in the city as set out below:

Do nothing further:

The Council has already intervened by introducing an Article 4 Directive to manage the numbers of HMOs across the city. By doing nothing more would leave the local housing market to be the driver for landlords carrying out improvements to their properties.

The council would be limited to a basic complaint response service with action by other departments and agencies on a largely ad hoc basis. The option is reactive and relies on the housing market as a driver for landlord-initiated housing improvement across the board. All council services would continue to use their existing enforcement powers.

Informal area action (Proactive inspection programme):

This would be delivered through a non-statutory Action Area, considering parts of the city where there were concentration of poorly managed or maintained properties. The driver for the housing improvement would come from a combination of council activity from different services focussing work in the area and landlord activity (including peer pressure)

Voluntary accreditation:

The council initially supported the Universities in running a Voluntary Code of Practise for landlords to sign up to a set of standards up until 2012. However there were serious weaknesses with the scheme in that there was no supporting inspection programme to ensure that the standards that landlords were signed up were being adhere to. In 2012 with the Universities supporting this scheme brought this to a close and was replaced by the council run voluntary accreditation scheme. This was initially successful, however with the extension of mandatory HMO licensing to HMOs irrespective of the number of storeys the number of landlords dwindled to a level which made it unsustainable and this was brought to a close in 2018.

Targeted use of Interim Management Orders (IMOs) and Final Management Orders (FMOs).

The Housing Act 2004 gives local authorities powers to use Management Orders for talking comprehensive and serious management failures.

City-wide additional licensing scheme.

Licensing would be extended to all HMOs in the city (in all wards) and would include all smaller multi-occupied properties not currently subjected to Mandatory HMO Licensing irrespective of the evidence relating to housing conditions and the impact that HMOs are having on their residents.

Area-based additional licensing scheme.

Licensing would be introduced in selected wards in the city where there is the highest number and concentration of HMOs and where evidence demonstrates there is the greatest need.

In general, approaches other than additional licencing are judged to have the following limitations:

- Most other schemes are expensive and would require funds being taken from the Council Tax. This seems unfair when many of the problems are due to poor management practices by landlords or agents operating in a buoyant market place. Additional licensing would be self-financing with the fee covering the cost of licensing; the fee will be paid by the applicants and not by the wider community.
- The use of IMOs on individual properties does not appear to give value for money, as the amount of resources being put into one property will mean that other properties cannot be tackled. It is clear from our experience that if this were to be the only sanction available then operating more than a few IMOs at a time would not be feasible given the lack of funding. This approach can also be seen to be heavy handed and can cause problems for the Council when attempting to work with and engage with landlords.
- None of the proposals give a long-term solution to the problems within the HMO sector,

Other schemes will not give the council detailed and accurate information concerning the HMO stock. This is essential in order to undertake meaningful prioritisation and work planning. Such information is not only used in the area of Regulatory Services but is also used and required by colleagues in other services.

## **6.2 Benefits of additional licensing**

We know from experience that there will be a small, and probably vocal, minority of landlords who will never see the overall value of Additional licensing of HMOs. They take an essentially narrow, self-interested view. Their interest is focused on financial returns; their criticism of any form of licensing is couched in terms of 'unnecessary financial burden' and 'pointless bureaucratic interference'.

On the other hand, the majority point-of-view takes a wider perspective on the provision of stock for the housing rental market. This group includes, most landlords and agents.

While the general public may not be directly involved in paying or receiving rent, they also experience the impact that HMOs have on the social and political economy of York. The view that HMO Licensing is instrumental in the improvement of facilities, management and safety in the housing rental market is echoed by a broad cross-section of the city. Licensing is seen as one strand in preventing the long-term decline in the amenity of the urban environment.

They recognise that wider licensing removes the inequalities caused by partial regulation and spreads costs and obligations in a fairer way. They recognise that it creates a common footing and can help agents. Provided that it is properly run, they see it as helping the market function effectively.

**Benefit: Consistent approach to HMOs in York**

Additional licensing will extend and continue the process of upgrading of HMO rental stock already begun by the Mandatory scheme. Additional licensing will add a significant portion of the York HMO market to the list of those houses where the council currently is involved with licensing.

This will mean that such houses will be subject to the same evaluation and improvement regime as the larger houses already covered by the national scheme. York has in the order of 2,000 HMOs occupied by less than five occupants. They deserve to be afforded the same protection as people in licensed HMOs. Without additional licensing there is significant and growing disparity in York's HMO market.

The inclusion of all multi occupied houses as licensable HMOs will enable York to develop a consistent approach to the whole of the HMO rental market. When there is a critical mass of houses subject to the same requirements, other houses (whether licensable or not) will be obliged to comply with that standard by market pressures. A house presented for rent without offering those facilities is unlikely to be attractive tenants.

**Benefit: Appreciation of property values**

York has a buoyant housing market and this being the case means that there will be a financial benefit to individual landlords in the longer term as accommodation standards are raised across the HMO sector. The benefit will be apparent in the capital appreciation of the property value. The heavy usage that multiple households inflict on the fabric of a building usually causes a far more rapid decline than does that of a single family.

Where there are heavy concentrations of HMOs, as is the case in York, it can lead to a general reduction in the amenity of whole suburbs and the relative loss of value of specific properties. A bespoke agreement between landlord and local housing authority as a result of licensing ensures that standards are maintained and improvements encouraged. In turn, this means that neighbourhoods will not deteriorate and thus property values are enhanced.

Benefit: Links with landlords

The formation of a formal but direct and individual link with the council, which the Licence Conditions afford, also allows for a beneficial flow of information between the authority and landlords. Critically the licensing condition which requires a licence holder to hold a recognised training qualification ensures that all licence holders have an understanding of the laws which relate to operating a HMO. This proactive approach will support not only raising physical standards but also improve management of the properties. Landlords and Agents can also sign up to receive news and ideas relevant to the development of the market sector. They can also provide accurate data on which council can make informed decisions on issues which impact on both landlords and tenants.

The creation of a dynamic partnership between the landlord and council is an under-rated benefit of Licensing. There are other, ancillary benefits for landlords through additional licensing.

Benefit: A recognised group of landlords

Landlords, once subject to licensing, become part of a specific group recognised in law and by government policy. This has implications for their ability to organise themselves to influence HMO related decisions. Recognition as a licensed landlord will have several flow-on benefits.

It may have the benefit of providing for simpler justification to lending institutions when it comes to securing finance if the local housing authority requires specific work to be done.

Agents and letting organisations such as student housing departments are more likely to accept landlords if their *bona fides* is supported by being licensed. Licensing brings its own degree of reliability and assurance to the relationship between landlord and agent.

That benefit is reinforced by the fact that licensing requires landlords to keep their letting arrangements (either privately or through an agent) on a more business-like footing. A licensed landlord is obliged to do things formally, like provide written terms of occupancy rather than *ad hoc* verbal arrangements that too often result in disputed interpretations of the agreement.

Benefit: pro-active involvement eliminates reactive work

Licensing also provides a consequential benefit in that it eliminates or mitigates many of the issues that generate tensions between landlords and tenants. Licensing is a means of pre-empting problems (for example, damp or ventilation issues leading to poor living conditions) before they become matters of contention and stress that the landlord would otherwise have to manage. Licensing will go a long way to ensure there are fewer hassles for a landlord from, for example, anxious parents of students

who rent a house. It will at least, provide a recognised mechanism for resolving any disputes without the cumbersome mechanisms of prosecution.

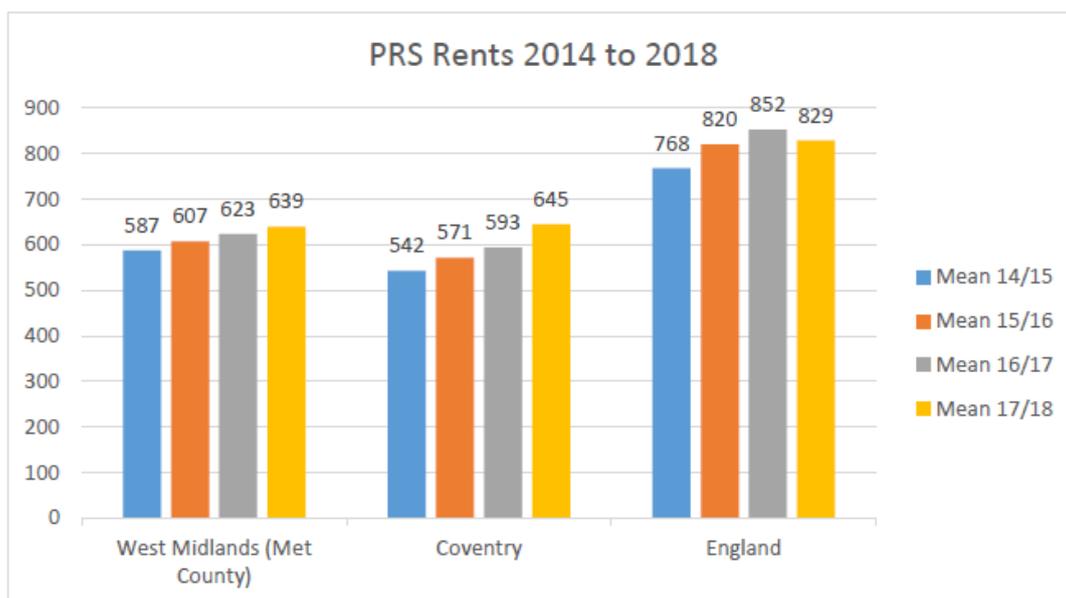
The council already deals with much of this work but in different capacities. The work is normally in response to a service request. Reacting to something after damage has been done is usually a negative and inefficient way of resolving an issue. Additional licensing will allow for positive, pro-active and efficient involvement, and should eliminate many problems before they occur.

## 7. Impact of licensing

One of the biggest criticisms of licensing schemes is that the cost associated with the licensing fee will be passed onto tenants by an increase in rent. In 2018/19 City of Coventry Council conducted research into this area and made a comparison of rents from 2014- 2018 between areas in England that had discretionary licensing schemes and those that did not, in order to establish if there was any evidence to show that discretionary licensing increases rent.

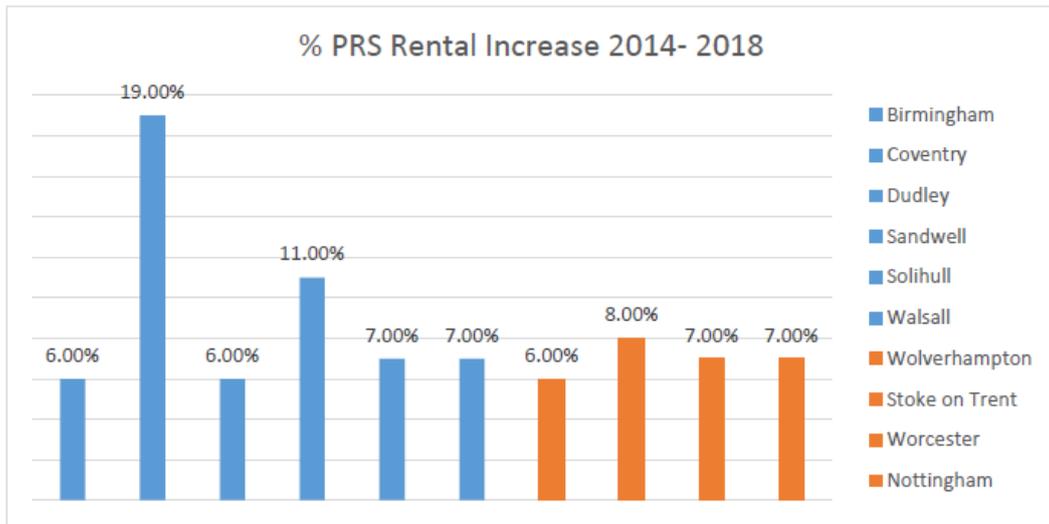
The research showed that rental values had increased in Coventry, on average by 19% between 2015 and 2018 compared to 11% in the West Midlands and 8% in England over the same period.

Table 8. PRS rents between 2014 and 2018



The summary of overall rents was used to conduct the comparison of rents in areas with and without discretionary licensing schemes in other areas across the West Midlands region and England. The comparison can be seen in Figure 23 below.

Table 9. Comparison of rents in areas with and without licensing



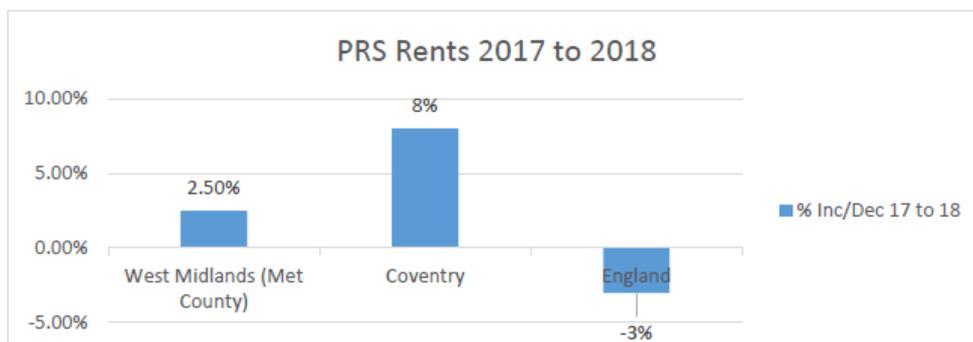
As can be seen from Table 9 above, rental increases have occurred across all authority areas, with the most significant in Coventry (19%) and Sandwell (11%). Both of these areas do not currently operate discretionary licensing schemes.

It is also notable that those areas with discretionary licensing schemes (Wolverhampton, Stoke on Trent, Worcester and Nottingham) experienced rent increases below the average levels in the West Midlands and, in a few instances (Wolverhampton, Worcester and Nottingham) below those reported across England during the same period.

The Office for National Statistics (ONS) recently reported that private rental prices paid by tenants in Great Britain rose by 0.9% in the 12 months to July 2018, down from 1.0% in the 12 months to June 2018.

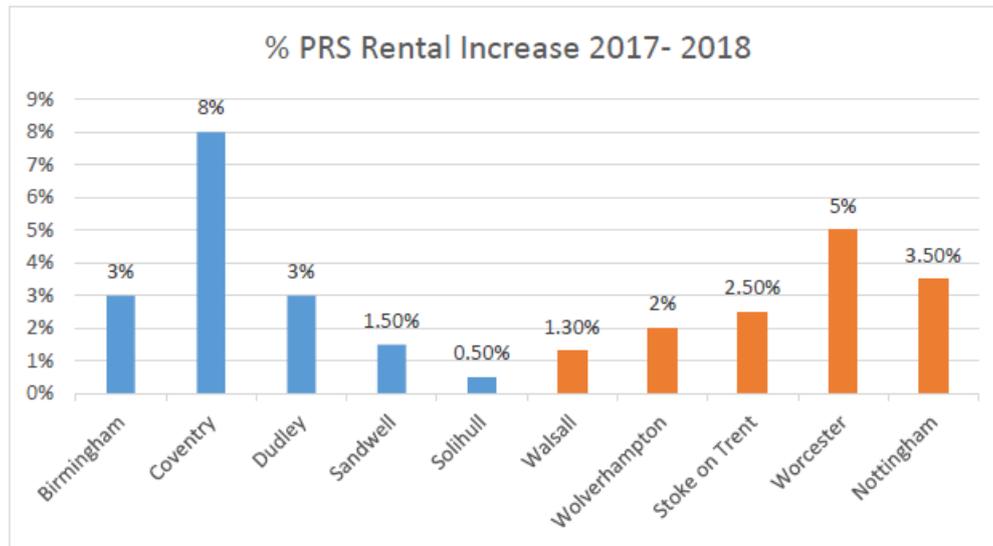
Data available for the period from 1st April 2017 to 31st March 2018 shows that there was an 8% increase in average rents in Coventry compared to 2.5% in the West Midlands and a 3% decrease across England. Figure 24 provides the breakdown for each category reported.

Table 10. PRS rents during 2017 to 2018



Further analysis of data for this period shows that the average rent increases across the West Midlands were relatively consistent and well above the average for England. Coventry and Worcester experienced the highest increases with 8% and 5% respectively. Overall the greatest increases occurred in areas which do not have discretionary licensing schemes in operation.

Table 11. Percentage of PRS rent increase during 2017-18



Despite the perception that licensing increase rents it is apparent that there is very little evidence to suggest that discretionary licensing schemes are directly responsible for rental increases. Where there has been an increase in rent it is more likely associated with supply and demand and not as a direct result of the introduction of discretionary licensing schemes.

This situation is likely to worsen as a result of other pressures, for example plans introduced by the Government to remove the higher rate of tax relief on buy to let mortgage interest rate payments will force landlords to '*lift rents higher*' and pass the cost of the Government's actions onto tenants.

The CML has reported that activity in the buy-to-let market is set to drop as a result of the recent tax crackdowns on buy-to-let regulations and these are expected to lead to a further 'professionalisation' in the sector, while some amateur landlords could see their properties become less profitable.

It is likely that rents in York will continue to rise as a direct result of these market pressures and by a lack of housing supply generated by fewer buy-to-let properties but not as a direct result of the introduction of discretionary licensing schemes.

## 8. Conclusion

Additional licensing is a viable solution for York, particularly to address poor property conditions and energy efficiency in the HMO sector. This report states the reasoning and evidence collated by City of York Council required to proceed with a formal consultation on the proposal to declare York or certain wards of the city as an area for additional licensing.

The scheme would cover all HMOs in York or certain parts of York, irrespective of the number of storeys that are occupied by less than five unrelated persons and all s.257 HMOs (buildings converted into self-contained flats) where the building is wholly occupied by tenants.

The buoyant housing market in York continues to do well with the numbers of HMOs rising each year. Landlords who have chosen to evade controls have operated without regulation for many years, which has resulted in HMOs often being let out in an unsafe manner.

The mixture of property types in the PRS in York coupled with the strong student market means that a high number of HMOs fall outside mandatory licensing. Such properties are next door to, or across the street or around the corner from those that are licensable.

The occupants of licenced properties benefit from the controls on the quality and management of licensed properties. Un-licenced properties may come to the council's notice from service requests from tenants or, more often, from worried parents but many unsatisfactory houses are never reported so standards are not enforced and the quality of the rental stock does not improve.

City of York Council has embraced mandatory HMO licensing which has proved to be a valuable tool in improving poor conditions and management practices in HMOs across the city. The extension of the mandatory scheme to cover more HMOs can only add to this improvement.

The preferred stance of the council is that licensing should apply to *all* HMOs in an agreed area in the same way, for example that licensing applies to *all* taxis. The new powers therefore would give the council the opportunity to make this a reality.

With the introduction of additional licensing controls applied to the whole of the HMO sector either across the city or within certain target wards, the council will be able to take a more proactive approach to dealing with the sector.

The council wants to continue to develop its links and working relationship with landlords and agents in the city, which have been greatly enhanced by mandatory licensing and it will continue to investigate other interventions that could complement additional licensing.

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