

Report of the Assistant Director – Housing and Community Safety
Implementation of the Extension of HMO licensing

Summary

1. This report provides an update regarding our approach to implementing the mandatory extension of licensing to smaller Houses in Multiple Occupation (HMO) in York.

Background

2. Earlier this year following over two year's of consultation the government introduce new legislation to:
 - Extended mandatory licensing to all HMOs¹ (other than section 257 HMOs and flats in larger purpose built blocks) that are occupied by 5 or more persons in two or more separate households.
 - Introduce mandatory condition in all licensed HMOs concerning minimum sleeping room sizes and maximum number of occupants²;
 - Introduce a mandatory condition in all licensed HMOs concerning the provision of refuse storage facilities.³
3. On the 19th July the Executive Member for Housing and Safer Neighbourhoods approved an implementation policy (see attachment) where we proposed
 - to risk assess application forms to determine when we shall visit within the 5 year period prioritising non-compliant properties first,
 - introducing the new mandatory licencing conditions and refreshing existing licensing conditions.

¹ 23rd February 2018 laid an order advising that the law will be implemented on the 1st October 2018
<http://www.legislation.gov.uk/ukxi/2018/221/made>

² Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) England Regulations 2018 will be implemented on the 1st October 2018

³ Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) England Regulations 2018 will be implemented on the 1st October 2018

- amend the changes to the licensing fees having regard to the new duties.
4. We had very limited options to consider when developing our implementation policy as the council had a duty to licence HMOs who fall within the definition and to introduce the new conditions
 5. The approved policy outlined a pragmatic approach as we anticipate licensing a further 700 properties. It includes that we don't visit every property before we issue the licence. Instead we collect a range of information to ensure that:
 - the property meets the minimum safety standards including the new room size provision
 - the licence holder meets the fit and proper test
 - Satisfactory arrangements are in place to manage the property.
 6. The intention being to issue HMO licences, where the application satisfies the above tests to enable the licence to be issued with any relevant conditions attached. A visit will then be programmed in to ensure that the conditions are met. During that visit a full assessment will be carried out having regard to the Housing Health and Safety Risk Assessment ⁴ as well as looking at matters relating to HMO licensing.
 7. At the application stage should we determine that standards are not being met, we will visit before a licence issued. Again not an exhaustive list such visits will be triggered where:
 - a) the rooms sizes don't meet the legal minimum sizes or
 - b) that there are significant safety matters at the property (lack of fire detection at the property)
 - c) Where there is history of non-compliance by the licence holder or by the person managing the property
 8. Since the approval we have been working to:
 - Provide an online application process to make it simpler and easier for landlords to apply for a licence. The process also seeks to help officers carry out the necessary risk based assessment prioritising visits.

⁴ Housing Health and Safety Risk Assessment – a legal tool to determine with there are any health and safety issues at the domestic dwelling

https://www.york.gov.uk/info/20097/private_landlords_and_tenants/1067/housing_health_and_safety_rating_system_hhsrs

- Ensure that we have the staffing in place to provide the necessary support to deliver the scheme. Both in terms of back office staff to help landlords make and process the new applications and also Enforcement Officers ensuring that properties are compliant.
- Delivering a market and communication plan which aims to ensure that Landlords/agents and tenants and a range of internal and external partners and are fully aware of the legislative requirements.

Consultation

9. There was no formal consultation process for extending the national mandatory HMO licensing scheme as we have a statutory duty to do so. However we have been working with a range of internal partners⁵ and external partners⁶ and the sector⁷ to ensure that they are aware of the changes that have been proposed and to help shape the implementation policy.

Council Plan

10. Licensing of HMOs is aligned to the three key priorities for the council
 - **a prosperous city for all** - where local businesses can thrive and residents have good quality jobs, housing and opportunities. Good quality HMOs can provide a good source of housing for residents on low incomes
 - **a focus on frontline services** - to ensure all residents, particularly the least advantaged, can access reliable services and community facilities . Provision of poor quality housing including HMOs can have significant impact on the health and wellbeing of residents. Changes to the benefits system means that this HMOs are the only option available to residents who are often the most economically vulnerable
 - **a council that listens to residents** - to ensure it delivers the services they want and works in partnership with local communities. Licensing of HMOs means that we are tackling the sector which has been found to have the poorest standards. By

⁵ Internal partners include Planning, Council Tax, Neighbourhood Management Officers, Parking, Waste Strategy Building Control

⁶ External Partners include – North Yorkshire Fire and Rescue Service, Regional Private Sector Housing Groups

⁷ Others in the Sector include the York Residential Landlord Association, National Landlord Association and the Higher York Partnership

raising standards in these properties it not only improves the properties for the tenants but also has a positive impact on the neighbouring properties.

Implications

11. The report is for information only and there are no other implications at this stage for the following:
 - **Financial.** The amendments to the fee structure income outlined in the policy will cover the cost of the HMO licensing. Any income generated from the licensing scheme must **only** be used to cover costs incurred by the council to carry out the licensing function.
 - **Human Resources (HR).** We have considered the additional resources required to licence the increase in the number of HMOs. These would be fully funded from the fee income
 - **Equalities.** We carried out a the One Planet York Assessment
 - **Legal.** We have a statutory duty to implement the extension of any Mandatory HMO licensing scheme.
 - **Crime and Disorder.** The government is clear that this is part of their strategy to tackle poor landlord practises which has led to overcrowding, poor management of tenant behaviour, failure to meet the required health and safety standards, housing of illegal immigrants and intimidation of tenants when legitimate complaints are made. Although only a minority of landlords the impacts of their practises are disproportionate putting safety and welfare of tenants and risk and adversely affecting local communities
 - **Information Technology (IT) –** We have worked with ICT to procure a simple online solution which will provide 24/7 access to prospective licence holders
 - **Property –** Additional desk space will be required in West Offices to accommodate additional staffing
 - **Other – None**

Risk Management

12. We have a statutory duty to implement the new laws. By revising our policy and providing adequate resources we will be able to ensure that

the we are managing the associated risks

Recommendations

13. Member are asked to note the contents of this report and agree to support the approach outlined in the Implementation policy

Reason

14. So that the council can ensure that we are meeting our statutory duties.

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Report Approved Date

Wards Affected:

All

For further information please contact the author of the report

Annexes

Annex 1- HMO Implementation Policy

Background Papers:

Extension of Mandatory Houses in Multiple Occupation(HMO) Licensing 19th
July 2018

<http://democracy.york.gov.uk/ieListDocuments.aspx?CIId=932&MIId=10869&Ver=4>

Abbreviations

HMO- Houses of Multiple Occupation