

Bath & North East Somerset Council

MEETING	Planning, Housing & Economic Development Policy Development & Scrutiny Panel	
MEETING DATE:	13th March 2018	EXECUTIVE FORWARD PLAN REFERENCE:
TITLE:	Additional HMO Licensing Update	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Appendix 1: Additional HMO Licensing Consultation Document		

1 THE ISSUE

- 1.1 On the 12th June 2013 Cabinet resolved to designate an area, based around the wards of Oldfield, Westmoreland and part of Widcombe, as an additional HMO licensing area from 1st January 2014 to the 31st December 2018. In due course Cabinet will need to make a decision on whether to designate a new additional licensing scheme post 31st December 2018, and if so, in what locality and for what classes of House in Multiple Occupation (HMO).
- 1.2 Before a Council can designate an additional licensing scheme it is required to evidentially address a number of legal hurdles. Having reviewed the evidence Housing Services are of the view that there is indeed a realistic likelihood that these legal requirements can be met. As such Housing Services are about to go to public consultation on a proposed new additional HMO licensing scheme which would cover HMOs with shared facilities across the city of Bath.

2 RECOMMENDATION

The Panel is asked to;

- 2.1 Give its view on the proposal to designate an Additional HMO licensing area covering the city of Bath as detailed in the attached Additional Licensing Consultation Document.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

3.1 The cost of investigating the introduction of an Additional Licensing scheme is being met within existing resources. However, operating the licensing scheme can be fully recovered by charging landlords a licensing fee. The current fee varies between £600-£780 for a 5 year period depending upon size of property.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

4.1 The Housing Act 2004 increased Local Housing Authority's (LHA) abilities to regulate the private rented sector by introducing three forms of licensing, these being:

- Mandatory licensing of HMOs – applies to HMOs of 3 storeys or more, occupied by 5 or more people who are not a single household. This is currently subject to a Government review.
- Additional licensing of HMOs – allows LHA to designate all or part of their district to be subject to additional licensing for classes of HMOs specified by the LHA.
- Selective licensing – allows LHA to designate all or part of their district to be subject to the licensing of privately rented accommodation.

4.2 If the Council wishes to designate an area subject to additional HMO licensing then it will need to evidentially address the following five legal steps; these being that they:

- consider that a significant proportion of the HMOs of that description in the area are being managed sufficiently ineffectively as to give rise, or to be likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public;
- consider whether there are other alternative or additional courses of action available;
- must consult persons who are likely to be affected by the designation;
- be satisfied that the designation is consistent with its overall housing strategy;
- must take a co-ordinated approach in connection with homelessness, empty properties and anti-social behaviour.

5 THE REPORT

5.1 On the 12 June 2013 Cabinet resolved to designate an area, based around the wards of Oldfield, Westmoreland and part of Widcombe, as an additional HMO licensing area from 1st January 2014 to the 31st December 2018. Cabinet will need to make a decision on whether to designate another additional licensing scheme post 31st December 2018, and if so, in what locality and for what classes of HMO.

5.2 The primary purpose of licensing is to improve housing standards. It allows the LHA to ensure that conditions, amenity & fire safety standards comply with current legislative standards. As such the principle beneficiaries of licensing are tenants. However, some LHAs, including B&NES, have attempted to use the licence as a vehicle to improve the management of the property and to

respond to complaints by local residents about the appearance of properties and behaviour of tenants.

5.3 The current scheme has been beneficial in improving standards across the designated area by reducing significant hazards, addressing management failures and improving welfare conditions. This includes the improvement of around a third of licenced HMOs which did not meet the minimum statutory standard.

5.4 Housing Services evidence indicates that:

- The presence of housing health and safety hazards within HMOs located in the Bath City results in an adverse impact on the occupants.
- A significant proportion of service requests received by Housing Services over the last 4 years are from occupants of HMOs.
- There is general support by residents, and landlords for HMO Licensing within existing licensing area.
- There are significant concentrations of HMOs within many areas across the whole of Bath City.

5.5 As such Housing Services has been investigating whether the legal requirements to designate another additional licensing scheme can be met once the current scheme concludes on 31st December 2017.

5.6 The consultation document in Appendix 1 explains: why a further additional licence scheme is proposed; the design of the scheme covering the City of Bath; how it is consistent with our overall housing strategy; other options considered; and how it links with other housing related initiatives.

6 RATIONALE

6.1 Evidence gathered from a number of sources supports the conclusion that a significant proportion of HMOs in Bath City sharing one or more essential facilities are being managed sufficiently ineffectively as to give rise, or to be likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public.

6.2 The evidence considered includes:

- A recent Housing Stock Modelling Survey on the number of HMOs across Bath and level of hazards and disrepair;
- Housing Services data on the number of service requests from HMO occupants and from residents on the negative effect of HMOs in Bath; and
- A review of the existing Additional HMO Licensing Scheme in Oldfield, Westmoreland and part of Widcombe.

7 OTHER OPTIONS CONSIDERED

7.1 A range of alternative options have been considered including: targeted proactive enforcement; reactive house condition inspections and enforcement; voluntary initiatives; co-regulation; relying solely on mandatory HMO licensing; Additional licensing designations to cover smaller or larger areas; Selective licensing; and Management Orders.

7.2 More detail on these options, including the reasons for rejecting these options, can be found in the “Alternatives to Licensing” section of the in the attached Additional Licensing Consultation Document.

8 CONSULTATION

8.1 Informal Cabinet and the Council’s Senior management team (SMT) have been consulted on the proposal to go to public consultation on a new Additional; HMO licensing scheme.

8.2 A 3 month public consultation exercise, led by appointed contractor MEL, is due to be launched within the next few weeks. This will include: details of the scheme design; marketing of proposal; open facilitated events with interested parties; and on-line survey forms.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

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Background papers	<i>None</i>
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