

# Appendix Two – The Evidence

## 1. Background & Overview

We know that poorly managed properties can have an impact on both tenants living in them and the local community. Unlawful conversion of single family dwellings into multiple units, for example, is on the increase across the borough. This can lead to:

- poor construction
- lack of fire safety
- overcrowding
- small rooms
- not enough amenities
- increased noise
- anti-social behaviour
- more waste (including dumping of old furniture)

We know that poor standards of accommodation and the wider anti-social problems that they create affect the community and are a drain on the council's resources.

This document explains what HMOs are, how we currently manage HMOs in Haringey, why additional HMO Licensing is being considered for Tottenham, and how additional licensing will affect the existing scheme.

### 1.1 What is an HMO

An HMO is a building that is let, as a main residence, to persons occupying as more than one household. HMOs include:

- buildings that consist of bedsit rooms where at least some facilities are shared,
- buildings converted into self-contained flats that don't comply with the Building Regulations 1991 AND where less than two thirds of the flats are owner-occupied (these are known as 'Section 257 HMOs'),
- buildings with multiple units of accommodation that all have their own exclusive facilities but which are not self-contained,
- buildings which contain a mixture of the above types of accommodation,
- hostels,
- shared houses.

## **1.2 What is meant by a household?**

A household consists of either a single person or members of the same family who live together. It includes people who are married or living together, people in same-sex relationships, any members of a family (including aunts, uncles, nieces, nephews, cousins, grandparents and grandchildren and their partners) living together. Friends occupying a house on a shared tenancy are also counted as multiple households.

## **2. What is HMO licensing?**

The Housing Act 2004 requires the licensing of prescribed Houses in Multiple Occupation (HMOs). This is known as mandatory licensing.

The Act also enables local authorities to require the licensing of other HMOs within an approved designated area (which may be all or part of their area). This is known as additional licensing.

The Act makes it an offence to have control of or manage an HMO which requires a licence but is not licensed. It is also an offence to fail to comply with the conditions of a licence.

The legislation covering licensing can be found in Part 2 of the Housing Act 2004, and in the associated orders and regulations. These are available at [www.gov.uk](http://www.gov.uk).

A specific guide for landlords is available at:

<https://www.gov.uk/government/publications/licensing-of-houses-in-multiple-occupation-in-england-a-guide-for-landlords-and-managers>

A specific guide for tenants is available at:

<https://www.gov.uk/government/publications/licensing-of-houses-in-multiple-occupation-in-england-a-guide-for-tenants>

## **3. Existing ways of managing HMOs**

### **3.1 Investigating complaints**

Haringey Council has a direct response service to complaints from tenants living in the private rented sector.

The impact that poorly managed properties can have on both the tenants residing in them and the local community can be widespread. Using the unlawful conversion of single family dwellings into multiple units as an example, it is very easy to see how this can impact on tenants, the wider local

community and council resources. With the incidence of this type of offence and the factors associated with this type of HMO becoming prolific across the borough, investigations involving multiple council services are required. Complaints received can relate to a number of factors ranging from poor standards of management to wider anti-social problems.

The unlawful conversion of a property without planning permission will require the involvement of the planning enforcement team. Unlawful conversions often mean that properties do not conform to building regulations either resulting in poor construction and a lack of fire safety. Multiple units created within accommodation which is not big enough to house them leads to overcrowding, poor standards, small rooms and too few amenities for the tenants who live in these properties. Many units equates to lots of people, noise and sometimes wider anti-social behaviour problems: a natural consequence of many people living separate lives but co-habiting in one place. These types of properties inevitably produce more waste and can often have a high turnover of tenants resulting in old furniture being dumped whilst new furniture is moved in. This impacts on those living in and around this type of dwelling. It produces a very visible sign for the public that a property is an HMO that is causing problems, often resulting in complaints to various council departments.

The council has always had a specific team working with accommodation that is identified as being an HMO. The team is dedicated to investigating all the issues associated with HMO accommodation under the relevant legislation, standards and practice. As seen with the example given above, working with other service providers can ensure a more tactical approach to complaint investigation. It is likely that Council Tax, Housing Benefit, Police, Home Office and the Fire Authorities will also become involved at some point.

The problem with this current approach is that it relies on all services taking action under each of their respective legal powers when dealing with the same owner and the same property. This can make leadership in a case complicated and decision making complex. Licensing can improve this as there would be only one department leading any investigations relating to that property.

### **3.2 Mandatory HMO Licensing**

With the introduction of the Housing Act 2004, Mandatory HMO licensing became a priority for the team dealing with HMO accommodation within the borough.

The Housing Act 2004 introduced a mandatory HMO licensing scheme - a more proactive approach to managing HMOs than the more reactive complaints process. The scheme covers bedsit type HMOs of three or more stories with five or more tenants and generally having some sharing of cooking or bathroom amenities. Working together, council services such as planning enforcement, building control, council tax, noise, anti-social behaviour and waste management, have been able to take legal action against people who have failed to licence their properties. However, HMOs that require a license make up only a small percentage of the overall number of HMOs within the borough. Mandatory Licensing is therefore an effective tool in only a limited proportion of such properties.

### **3.3 Additional HMO Licensing**

In October 2011 we introduced an Additional HMO Licensing Scheme in Harringay Ward for almost all smaller HMOs (regardless of the number of floors within the property and including certain Sec 257 HMOs which are exempt from Mandatory Licensing). This scheme is also a legal requirement and the onus for licensing is on the landlord.

Through the Additional Licensing Scheme we have been able to:

- Target resources to identifying those landlords who have failed to licence.
- Work with compliant landlords to licence their properties quickly.
- Apply the scheme to a discrete area making the process more manageable.
- Become more familiar with specific properties.
- Work with residents, businesses, safer neighbourhood officers and resident representatives more effectively.
- Engage with letting agents and portfolio landlords responsible for HMOs in the area.
- Influence the length of licences granted to specific properties; and
- Promote the training and education of landlords through accreditation incentives.

The Harringay Ward additional Licensing Scheme has 3 Full Time Equivalent Staff working within the area. The role of these officers is to investigate HMO property and any complaints relating to them, within the licensing scheme boundaries. All properties investigated are then if it is required forwarded into the licensing procedure and notification in the form of an application pack is sent to the property owner or responsible person for processing.

Since the Harringay Ward scheme became operational in October 2011 we have received a total of 204 applications from landlords who need to licence their properties. 104 properties have been inspected in full and have had

subsequent licences issued. The remainder are being inspected and processed.

In the initial stages of becoming operational we used intelligence gathered as part of the research carried out to propose the designation, to identify potential property owners who would be required to licence their property. This information came from planning enforcement, door to door survey results, our complaints data bases and Council Tax records. Once the appropriate checks on ownership had been undertaken all these property owners were written to identifying their need to licence with the Council.

In addition to this, engagement with letting agents has identified a range of portfolio landlords who would be required to licence their properties. A total of 96 application packs and letters were sent pertaining to 227 properties in total. We have to date received 119 application forms in response to this with a further 43 due to be received. Enforcement action against those which have failed to respond is now progressing

The team have also prosecuted 7 landlords for failing to licence their properties and or failing to have appropriate management of the property. A further 3 prosecutions are pending as a result of enforcement action being taking.

A full survey of all properties within Turnpike Lane has also been undertaken in June 2012. Those properties which are licensable have been identified and the owners contacted. Enforcement will proceed on those owners who have yet to respond to this request in 2014. In total 60 properties were visited in Turnpike Lane many containing several units within the premises require licenses. We have received 8 applications from owners with a further 6 are due from properties that are undergoing enforcement action due to inadequate provisions under Housing Act 2004.

At present the work being generated by the methods above and the subsequent prosecutions of those landlords who have failed to apply following our intervention means that very little proactive work is being undertaken in the area. A small project using Council intelligence has highlighted a further 50 properties that should have applied for licence applications. In response to contacting these owner a further 30 applications have been received. When at all possible proactive investigations following walkabouts sessions with community officers and or residents to identify HMO properties requiring licensing is undertaken.

### **3.4 Landlord Accreditation**

The council is a partner in both the London and UK Landlord Accreditation Schemes (LLAS &UKLAS). Accreditation is voluntary and is gained once landlords have attended a training course and passed a written test (an indication of their roles and responsibilities under the law and knowledge of good practice). We promote accreditation in the application process (by

offering a financial incentive) and when dealing with landlords through our complaints and enforcement procedures. The council runs regular training courses in Haringey through the London Landlord Accreditation Scheme. There are currently 552 landlords who own and rent out property in Haringey who are accredited with LLAS or UKLAS.

#### **4. What we know about HMOs in Tottenham**

In order to designate that an area is subject to an Additional HMO Licensing Scheme, the council must be satisfied 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.”***

In Haringey, like many other local authorities who've adopted Additional HMO Licensing, the number of smaller properties being converted into HMO accommodation has increased in some areas, to the detriment of their tenants and local communities. Additional Licensing gives greater control to the council to improve standards and manage HMO stock within the borough by targeting resources to deal with the worst type of properties.

Although we do not have a definitive number of HMO properties within Haringey, we are constantly striving to identify the ever changing numbers and types of HMO accommodation across the borough and specifically within the proposed additional licensing area.

We have used the data collated from the following sources and checked this against property addresses to estimate that there are approximately 2,916 HMO properties within the 5 proposed wards (Tottenham Hale, Tottenham Green, Bruce Grove, Seven Sisters and Northumberland Park). This number of HMOs makes up nearly 23% of the overall property type including social housing in the area.

##### **4.1 Electoral Register**

Surname analysis of households with three or more people registered to vote has been undertaken using the 2011 Electoral Register. However, these figures do not include those properties where tenants have failed to register. It is known that areas of increased deprivation, or with higher proportions of transient populations, are more likely to have a greater proportion of persons who fail to register on the electoral roll. It is considered, that this information is therefore a gross underestimation of the number of HMO's in the borough.

This figure has been used to identify minimum levels of HMO accommodation within the wards and as a property data set. In total across the five wards being considered there were 1,289 households which had 3 or more surnames listed at the address given.

#### **4.2 Veolia Recycling Survey**

A recent door to door survey carried out by Veolia, our recycling and waste management contractors, has identified a number of potential HMOs within the 5 wards. Veolia identified a potential 63,540 properties through the door to door survey across the five proposed wards of which 10,119 were estimated HMO properties.

#### **4.3 Planning Enforcement Data**

Planning Enforcement data gives us an indication of the number of properties which are being converted. By analysing the planning enforcement complaints database of the number of complaints investigated due to planning breaches the following information has been obtained. The number of complaints investigated relating to unlawful conversion within the 5 proposed ward over the last 3 years are as follows:

- 2010-11 = 38 cases
- 2011-12 = 70 cases
- 2013-13 = 49
- 2013 to date = 25

We have also seen an increase in residential units within commercial and light industrial sites creating poor quality and unsafe HMO type accommodation.

#### **4.4 Benefit & Taxation Data**

Council Tax and benefit property data bases have been cross referenced.

#### **4.5 Complaints**

Complaints from properties identified as HMO accommodation have been interrogated.

### **5. A significant proportion of these HMOs are being managed ineffectively.**

In addition, the evidence that “a significant number of the HMO accommodation identified as being present within the proposed area is causing a problem to the tenant or local community”, has been drawn from various sources. These sources as indicated above have been added to statistical evidence from the complaint data base that the council enforcement services utilise. Intelligence shared through our strategic HMO working group,

council departments and external partners such as the Fire Authority, Police and the council's anti-social behaviour team has also provided property data. Feedback and issues raised by ward councillors on behalf of their constituents has also been used to evidence this point.

### **5.1 Ward councillors**

Local ward councillors have continually raised the concerns of their resident constituents regarding their perception of an increasing number of smaller properties which are multi-occupied and poorly managed.

### **5.2 A sense of belonging**

There is also concern regarding the churn of tenants which often creates a lack of long term interest in an area, reduced community involvement and continual issues of waste management during and at the end of tenancies. On its own, anecdotal evidence from residents and tenants will not provide the verification required to meet the criteria set out above. Factual evidence relating to poor management of HMOs is therefore considered below.

### **5.3 Anti-social behaviour**

There were altogether 5,766 incidents of antisocial behaviour recorded through data entry by the council between 2010 – 2013 within these wards. These anti-social incidents included noise, fixed penalty notices for dumping, rubbish complaints and also housing disrepair complaints. Of the 5,766 incidents of this nature that were logged, 2,331 were from HMO type accommodation which is just over 40% of all the incidents reported.

- 43.2% of the housing disrepair complaints received by the Housing Improvement Team (Private Sector) were in relation to HMO accommodation.
- 39.8 % of noise complaints were in relation to HMOs.
- 40% of all Rubbish complaints and fixed penalty notices issued for dumping were from HMOs.

### **5.4 Environmental Health**

To support the evidence obtained from the complaint database, door to door property condition surveys were carried out by Environmental Health officers. These reveal that standards within HMO accommodation in the proposed area are poor.

A total of 370 surveys have been undertaken on accommodation above shops, a selection of sec 257 HMO accommodation and shared use HMOs. These revealed:



- 69% of properties were failing to meet either legislative or local council HMO standards;
- 45% failed on issues under the Management of Houses in Multiple Occupation Regulations 2004; these can be viewed at [www.gov.uk](http://www.gov.uk)
- 38% failed due to hazards identified under the Housing, Health and Safety Risk Rating System(HHSRS);
- 49 % of all properties surveyed fail to have the adequate fire safety provision for the type of HMO property;
- Many properties failed under both Management regulations and HHSRS; and
- Only 13.5% of properties were of a good standard

**Note:** 14% of properties identified as HMO accommodation could not be accessed to assess the property's standard. Results from these surveys therefore have not been included.

## 6. Our assessment of the problem

Haringey's HMO and Planning Policy development Research Paper (December 2012) concluded:

*Planning enforcement action related to unauthorised HMO development and conversions is overwhelmingly related to the east of Haringey, representing the majority of the total 355 enforcement notices<sup>1</sup> served from January 2008 to July 2012. The permitted development rights for small HMOs raise particular planning enforcement challenges. Proving occupancy of more than six unrelated occupants and demonstrating a material change of use is especially challenging in light of the permitted development rights for small HMOs and in the absence of any obvious physical conversions.*

A Government report, '**Evidence Gathering – Housing in Multiple Occupation and possible planning responses**' (Communities and Local government 2008; summarised 2010), sets out how to respond to the following challenges and the impact that high concentrations of HMOs can create:

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<sup>1</sup> Note this figure does not relate to total enforcement investigations which far exceed this number just the notices served based on the Council's Enforcement Register (and excluding withdrawn notices).

- anti-social behaviour, noise and nuisance
- imbalanced and unsustainable communities
- negative impacts on the physical environment and streetscape
- pressures upon parking provision
- increased crime
- growth in private sector at the expenses of owner-occupation
- pressure upon local community facilities, and
- restructuring of retail, commercial services and recreational facilities to suit the lifestyles of the predominant population

Many of the complaints we receive about HMOs are frequently from neighbouring residents rather than the occupiers of HMOs themselves. The impact of HMOs on neighbouring occupiers is heightened in areas with a significant cluster of HMOs and where the use of smaller properties is over intensified. This impact is compounded where there is also a high level of conversion of houses to flats.

In accordance with the Housing Act 2004, before introducing an Additional HMO Licensing Scheme, a local authority must be satisfied 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’.***

There is evidence to support the claims of residents and ward councillors that the five wards identified within Tottenham for the proposed scheme have housing related issues. Our data suggests that 40 % of all complaints within these wards come from or are related to a property which is a House in Multiple Occupation. The latest 2011 census statistics forecast that Tottenham has and will only continue to attract low income families and individuals who seek low cost accommodation. It is therefore the council objective, in line with Sir Stuart Lipton’s Report and the regeneration of Tottenham, to improve housing standards for those who choose to live within this community.

## **7. What options are available to the council?**

Before introducing an additional HMO Licensing Scheme we are required to consider whether or not there are other courses of action we can take to effectively deal with the problem. We have considered the following:

### **7.1 Mandatory HMO Licensing**

Mandatory HMO licensing will continue to identify properties that require a mandatory licence throughout the entire borough, in order to deal with the

borough's larger HMO accommodation. It will be used to identify those landlords who have failed to licence their properties and ensure large HMOs meet property standards. However, Mandatory HMO Licensing will only apply to those HMOs which are three or more storey, occupied by five or more people forming two or more households. This type of HMO makes up only a small percentage of the overall HMO stock within the borough. It will not tackle the problems associated with other types of HMO accommodation which are in poor condition and continue to cause problems particularly within Tottenham's Wards.

### **7.2 Continue to respond to complaints and carry out inspection and enforcement action.**

Responding to complaints often involves coordinated investigation and enforcement by numerous departments, using various pieces of legislation, before a final resolution is obtained. Many tenants are not aware of the law and/or are afraid of losing their tenancy so will not make a complaint.

However, a housing inspection-based programme is resource intensive and works on the rule that compliance and improvement is obtained only once a tenant has complained. Compliance is often only obtained through enforcement and can often require extensive investigation to identify responsible owners.

### **7.3 Combine points 1 and 2**

We could continue with Mandatory licensing, respond to complaints and carry out inspection and enforcement action and target this action strategically within a designated area. This process places the onus on the authority to find all poor quality accommodation which is resource intensive and slow. Whereas, licensing transfers the onus onto the landlord to make an application and meet standards.

### **7.4 Continue to promote landlord accreditation**

Landlord accreditation is a voluntary scheme which recognises landlords who wish to be professional and act responsibly. This relies on the goodwill of landlords to enrol themselves onto courses; we cannot force landlords to become accredited.

### **7.5 Continue to offer advice and guidance through the Landlord Forum**

The Landlord Forum is an open forum for all Haringey landlords. It is used as a platform for networking, providing advice and guidance, education and training. It is held several times a year but once again attendance is voluntary and usually attended by interested and professional landlords.

### **7.6 The adoption of an additional licensing approach**

Adopting an Additional HMO Licensing Scheme within the proposed area will help us tackle the areas worst type of HMO by targeting non-compliant landlords. We believe that improving the overall standard of properties for people who live in them will also improve the quality of life for those residents who live alongside HMOs.

Additional Licensing would utilise HMO licensing powers under the Housing Act 2004, to target HMOs within a concentrated area, based on ward or defined boundaries. All of the above options would continue but licensing would act as the main enforcement tool to achieve the required improvements.

## **8. Why we feel an additional licensing scheme is necessary**

We believe that the use of additional licensing is the best tool to tackle the worst type of accommodation within the borough. Licensing allows us to use our powers to confront those worse offenders and focus activity and resources effectively on properties of concern. We feel an Additional HMO Licensing Scheme would:

- gives the authority the ability focus on properties of concern;
- allow for greater engagement through promotion of the scheme prior to its commencement (notifying property owners, businesses and the public of the details of the scheme, the area involved and the requirements of licensing);
- put the onus firmly on the landlord to inform the council of the existence of an HMO (not for the council to identify HMOs reactively and then to take formal action to get improvement made);
- reduce the burden on the general Council Tax payer by setting licensing fees to cover the administrative costs of the scheme;
- allow us to create a comprehensive data base of all the HMO accommodation within the designated area;
- allow us to identify and work with those landlords whose management and or accommodation standards are inadequate and ensure that they are improved;
- control the maximum number of occupants allowed to reside at the property which assist in controlling issues with overcrowding;
- enable us to promote accreditation and offer incentives to good landlords through licence fees and licence duration;
- enable us to use a more co-ordinated approach and share intelligence to deal with properties poor standards effectively;
- help us to tackle rogue landlords and ensure that only those persons deemed fit and proper have control of an HMO premise; and
- Although licensing is inclusive to all landlords both co-operative and non co-operative, the council aims to reward good landlords with financial incentives for quick application submission and for being accredited. The council will also provide full licence terms for compliance and co-operation and shorter terms for those who fail in their responsibilities.

