

Appendix 4

Property Licensing Consultation Report & Results

- Appendix 4.1 M.E.L Consultation Report**
- Appendix 4.2 M.E.L Consultation Report Appendices**
- Appendix 4.3 Bridge Renewal Trust Consultation Report**
- Appendix 4.4 Summary of consultation feedback and Council responses.**

Appendix 4.1

Council's response to comments and questions received during the consultation.

Note: some comments have been summarised.

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	Consultation representation	Respondent	Consideration	Council Response
	Impact of scheme			
1	<p>It will diminish housing stock/ It will lead to less housing being available.</p> <p>HMOs may become unaffordable and deter new Landlords from entering the market.</p>	<p>Landlords Focus groups and online survey.</p>	<p>Rejected</p>	<p>We think it is unlikely that Landlords will withdraw from the market altogether. The private sector market in Haringey is buoyant and Landlords currently enjoy a good return for their investment. Average rental for a room in an HMO in Haringey is between £550-£650 per month this increases to above £650 in N10. If a landlord had a 4 bed property at an average monthly income of £600 per room per month his rental income would be £2400. The cost to a landlord per month for a full cost licence for this type of property is £13.66.</p> <p>The Council's overarching objective is to improve the property conditions and management of the private rented sector. We want the sector to thrive. Our proposed licensing scheme offer a proportionate response to the problems identified and balances the need for enforcement and support for Landlords. We accept that property</p>

				management is a complex business and that many Landlords are often unaware of their responsibilities or need guidance in dealing with difficult issues. Our aim will always be to work with Landlords to resolve issues; we see enforcement as a last resort.
2	<p>Licensing will not solve ASB, crime, overcrowding, rogue Landlords and other issues.</p> <p>Scheme will not change/improve things</p>	Survey, landlord Focus Groups	Rejected	<p>The design of our scheme and our proposed conditions specifically focus on resolving the issues associated with ASB, overcrowding and rogue Landlords. We intend to operate a risk based approach, that will see resources geared towards resolving 'problems' rather than a blanket approach that treats good and bad landlords/properties the same.</p> <p>From experience of our existing and previous licensing schemes, we believe that properties and surrounding areas will improve.</p> <p>We intend to monitor the schemes closely over the 5-year period. The data contained in our evidence base will provide base line data from which we can measure outcomes.</p>
3	Licensing is a waste of money and resources	Landlord Focus groups	Rejected	<p>We do not accept that introducing licensing to ensure that all residents in the borough can enjoy a safe, well-maintained home is a waste of resources.</p> <p>The scheme is cost neutral, which means that any fee income is used for licensing related activities.</p> <p>There are many benefits to Licensing for tenants, Landlords and the wider community. Our experience to</p>

				date has shown that reactive enforcement is resource intensive, costly and has fewer outcomes.
4	<p>Unfair/unnecessary burden to good/small Landlords.</p> <p>Landlords doing a good job/unfair to good Landlords</p>	Survey & Landlord Focus Groups	Rejected	<p>Many of the licensing conditions, fire safety measures and gas safety certificates for example, should already be place, as they are currently a requirement by law. If a landlord is already a good, fair and compliant landlord, the cost to a good landlord will only be that incurred from the fee itself which is discounted for early applications. We therefore do not accept that licensing will result in an additional burden for good Landlords. The Council intends to minimise any monitoring or reporting requirements for Landlords.</p> <p>Where a property falls short of the required standards, our priority will be to support the Landlord to improve the property.</p> <p>Our discounted licensing fee and light touch inspection regime is targeted at good Landlords. In comparison, rogue landlords/badly maintained properties would be subjected to more frequent inspections and higher licensing fees if they don't take up the early bird discount on offer for early applications. Properties identified by officers to have failed to have licensed will be targeted early on and enforcement action will be taken.</p>
6	<p>Added protection for tenants who complain.</p> <p>Tenants could lodge false complaints</p>	Bridge Renewal Workshops	<p>Considered</p> <p>Rejected</p>	Licensing offers protection to tenants who occupy property that is operating without a licence. Upholding the licensing conditions is a responsibility the landlord must undertake. Routine inspections can identify this without the need for tenants to complain.

				<p>The Council has a team of staff with a wealth of experience who are responsible for investigating complaints made by, or about, private tenants. The team are experienced in investigating complaints fairly and objectively.</p>
7	What happens once bad tenants are evicted?	Landlord Focus Group	Considered	<p>The Council has processes in place to deal with residents who are either facing homelessness or have been evicted from their property. Tenants would be signposted to these services. The council acts to secure the rights of tenants and provide advice and assistance as required.</p> <p>However, there is no evidence to suggest a disproportionate increase in homelessness applications directly arising from our current licensing activity.</p>
8	Should only target bad Landlords.	Landlord Focus Groups	Rejected	<p>The 2004 Housing Act requires that all privately rented properties within an area designated for licensing have to be licensed unless they are exempt.</p> <p>The Council acknowledges that there should be a different approach for good Landlords – Please see response under point 4 above.</p>
9	Landlords need protection from bad tenants too	Landlords Focus Groups	Considered	<p>Powers already exist that allow landlords to deal with poor tenants and the Housing and Planning Bill 2016 also provided additional powers</p> <p>The Council recognises that there are issues over tenant behaviour that has a detrimental effect on the management of a property. We intend to work with</p>

				<p>Landlords to develop guidance and offer support where needed.</p> <p>The Council believes that licensing should be used as both a supportive and enforcement tool.</p> <p>Housing Advisors will be in post to support landlords who have problematical tenants to offer advice and mediatory services to try and sustain tenancies.</p>
	Areas Included/Excluded			
10	<p>Confused about the difference between the two schemes (Additional and Selective)</p> <p>Confusion over the definition of a HMO.</p>	Survey & Focus groups	Accepted	<p>Many of the points raised by individuals on the Council's proposals illustrated that there is still some work to be done explaining the difference between the two schemes and more technical issues such as the definition of HMOs.</p> <p>We will work to ensure that any future publicity and the Council's web page relating to private sector housing is informative and as easy to understand as possible.</p> <p>Our automated IT system will assist landlords by identifying if they need a licence and what type etc.</p>
13	The Evidence Base does not prove there is a need for Licensing.	Public / resident responses	Considered	The Council spent many months analysing complaints, and used the information to consider how problems in Haringey compare with other boroughs, whether there is a link between private rented properties and incidents of crime and ASB and to identify those parts of the borough that experience more problems than average.

				<p>We only considered data that was property related, this included: fly tipping, ASB relating to tenants behaviour, burglary and complaints relating directly to the conditions of private rented properties. We excluded from the analysis complaints relating to commercial buildings and social housing etc. Findings included:</p> <ul style="list-style-type: none"> • An analysis of 19,942 noise complaints received confirmed that 80% related to private rented properties. • Of the 13,585 incidents of environmental crime recorded (rubbish dumping etc.) 49% related to private rented homes. • 1,041 complaints of serious breaches of health and safety property conditions (Category 1&2 complaints) received, 69% related to homes that were privately rented.
	Licensing Fees and Costs			
14	Unfair and costly to Landlords (especially small and good Landlords)	Surveys and Landlords Focus Groups	Rejected	The proposed costs for Additional licence is £208 per unit of accommodation and a Selective Licensing is £500 per property; in the majority of cases a licence will be granted for a 5-year period. This equates to 80p per week per unit of accommodation within a HMO and £1.92 per week per property for a Selective License.

				Landlords applying within the first three months of the scheme commencing will enjoy a 50% discount. This reduces the weekly cost to 40p and 96p respectively.
15	Impact on affordability/Costs will be passed onto tenants/It will raise rents.	All response groups	Considered and Rejected	The Council believes that landlords can absorb the licensing cost within their business model without the need to passport it onto their tenants. The Council's experience of its two Additional Licensing schemes and feedback received from neighbouring boroughs where licensing has been introduced, suggests that licensing has not resulted in rent increases for private tenants.
16	Expensive in light of the new tax/expenses regulations for Landlords.	Landlord in Focus Groups	Rejected	<p>We are aware that licensing is an additional cost for Landlords. However, the fee is still a tax-deductible revenue expense.</p> <p>We have benchmarked our proposed fees against other local authorities and believe that they are reasonable. The fees have been calculated based on a non-profit, full cost recovery model.</p>
17	Fees should be incentivised for good Landlords.	Landlords in Focus Groups	Considered and accepted.	Financial incentives by way of a 50% discount is proposed for responsible landlords and a disincentive is proposed for irresponsible landlords who fail to obtain a licence. Landlords operating non-licenced properties could face a fine (non Licensing is a prosecutable offence) and receive a license for a shorter period at the full cost.
18	Concerns that fee will increase within the five-year scheme	Landlords in Focus Groups	Considered.	In line with the Housing Act 2004, the two schemes have been designed to be cost neutral. The fees collected will offset the cost of establishing and administering the scheme.

				Any fee income received will need to cover the cost of the scheme. Similar to all Council fees and charges, the licensing fee will be reviewed annually.
19	Fees should be based on the number of properties or/and the number of units within a HMO.	Landlords In Focus Groups	considered	Our fee schedule for HMOs is based on the number of units within a HMO. Our fees are property related – a fee for each property/unit of accommodation – and reflect the costs involved in operating the scheme.
20	It's a money making scheme	Landlords in Focus Groups	Rejected	Please see answers in point 18
	Alternative options to Licensing and other suggestions			
21	Discounts for accredited landlords or good/compliant landlords	Landlord Focus groups	Considered and rejected	Please see answer to response 35
22	Could increase Council tax to pay for the scheme (rather than a licensing fee)	Landlord Focus Groups	Rejected	Raising income to support and improve the private rented sector is only one part of a licensing scheme. More importantly, ensuring that Landlords offer accommodation that meets the required standards, is not deliberately overcrowded and has basic amenities in place are all part of a property licensing regime. Raising income through Council tax would not offer the same benefits and would not compel Landlords to adhere to the above.
23	Council should target problem tenants.	Landlord Focus Groups	Considered & Accepted	<p>The Council does and will continue to target any resident causing ASB. The recruitment of housing advisors to support cases which involve poor tenant behaviour to try and sustain tenancies and improve relationships is going to be undertaken to support the licensing scheme.</p> <p>However, Landlords should consider appropriate arrangements to ensure that their tenants do not cause a</p>

				problem to other tenants/residents or neighbouring properties. This could include asking for reference, ensuring that there are sufficient clauses within tenancy conditions, regular inspections of the property and early intervention when ASB is identified.
24	The Council should sign up to the Mayor of London's rogue landlord checker (on-line database).	Focus Groups	Accepted	The Council is already a member.
25	Increase the level of fines within the existing system to deter rogue Landlords.	Landlord Focus Groups	Considered and accepted	<p>The Council has consider alternative options, we believe that Licensing is the best tool available to tackle problems of poor housing management practices and conditions. Licensing will become part of a wider strategic approach to drive up living standards, eliminate poor housing conditions and improve the local environment by tackling property related crime and ASB.</p> <p>To support this the use of Fixed penalties with be introduced for offences as a further deterrent.</p>
26	The Landlord could pay a deposit to Haringey Council; this could be used as security.	Landlord Focus Groups	Rejected	<p>Licensing imposes a set of standards/conditions, makes it easier for officers to gain access into a property and can allow the tenant to make a complaint without being identified. Licensing conditions offer a Landlord clear guidance on appropriate levels of property and tenancy management.</p> <p>We do not accept that a deposit scheme will offer the above benefits or deliver an improvement in the condition of privately rented property in the borough.</p>

27	Provide information to tenants about what a Landlord should be doing this will put power in tenants' hands.	Bridge Renewal trust and tenant Focus Groups	Considered and accepted	We intend to issue guidance and support for both tenants and Landlords.
28	Tackle the symptoms (e.g. rubbish, fly tipping) rather than the cause. Use the funds to remedy the issues rather than enforce conditions.	Landlord Focus Groups	Rejected	<p>The legislation governing licensing is very clear on how income raised can be used. Using funds to tackle fly tipping, waste collection etc. is not allowed.</p> <p>Setting aside the legislation requirements, the Council wishes to reduce the incidents of fly tipping and dumped rubbish, rather than just react and remove it. Fly tipping, untidy front gardens and rubbish dumping are amongst the most common complained about problems received from local residents.</p>
29	Install CCTV with the money, providing evidence to prosecute people, e.g. for fly tipping.	Landlord Focus Groups	Rejected	In line with the Housing Act 2004, Licensing schemes have to be cost neutral; the fees can only be used to offset the cost of establishing and administering the scheme.
30	Involve the police more with ASB.	Focus groups	Considered and accepted	We already have good partnership working arrangements in place with the Police and often work together on cases of Crime and ASB, this will definitely be expanded to assist with licensing when necessary
31	Rely on planning rules, e.g. Article 4 Direction needed to convert to an HMO in east Haringey.	Focus groups	Rejected	Planning rules/Policies are helpful in respect of the design of a property, but planning policy or the role of the Council as a planning authority is not intended to deal with matters such as harassment of tenants, lack of adequate tenancy or property management arrangements. This would not work in isolation to tackle many of the problems associated with poor privately rented accommodation.

32	Collect information about let properties and Landlords through the council tax / Gain information from Inland Revenue or Housing Benefit records on Landlords.	Focus groups	Rejected	<p>Through licensing, the Council will have a register of all privately rented properties in the borough, including details of the licence holder – this will make it easier for residents wishing to make a complaint.</p> <p>Although the Council and partnering agencies have some records, a comprehensive register or list of rented properties does not currently exist. As outlined in our response under point 34 above, licensing offers many more benefits; just having a database of properties/landlords would not deliver the outcomes the Council is seeking.</p>
33	Council should enforce current legislation.	Landlord Focus Groups	Considered	<p>The Council will continue to use existing powers. However, we believe that licensing will provide a more joined up response to tackling the problems associated with the private rented sector and will offer a universal set of standards that all landlords have to adhere by. This not only provides a level playing field for all Landlords to operate within, but also offers additional protection for private sector tenants.</p>
35	Landlord accreditation schemes should be sufficient.	Landlord Focus groups	rejected	<p>Although a voluntary accreditation scheme is helpful in driving up standards, it relies on the willingness of Landlords to sign up to it. It is likely therefore that conscientious landlords will continue to support the scheme, but that rogue landlords will remain difficult to identify and will avoid joining the scheme, preferring instead to operate with the minimum regulation.</p>