

## Housing, Planning & Development Scrutiny Panel

### Review on Landlord Licensing and Renting in the Private Sector (2022/2023); Scope and Terms of Reference

Review Topic	Review / Project Title
<b>Rationale</b>	<p>As part of the work planning process for Scrutiny in 2022/23, we undertook an online scrutiny survey and an in-person Scrutiny Café event to engage with local community and resident groups, to seek their views about which areas Scrutiny should focus its attention upon for the next two years. As part of the feedback relevant to the Housing, Planning and Development Panel, one of the areas where most concern was raised was around private rented sector housing and the impact of this on all aspects of housing. A number of young people advised the panel the cost of rent was just too high for them and that this was a real barrier to their ability to thrive.</p> <p>At the Housing, Planning &amp; Development Scrutiny Panel meeting on 28<sup>th</sup> June, the Panel received an update on the Private Sector Landlord Licensing Scheme, which provides some background and information on both the existing Licensing scheme for Houses in Multiple Occupation (HMO) and the proposed Selective Licensing scheme for non-HMO rented property.</p> <p>The Housing Act 2004 introduced licensing for the Private Rented Sector (PRS). Mandatory Licensing for Houses in Multiple Occupation (HMO) exists for all HMOs occupied by five or more tenants. The Act also gave powers to Councils to introduce discretionary licensing schemes within their local authority for: i. Additional Licensing for smaller Houses in Multiple Occupation and ii. Selective Licensing for all privately rented property.</p> <p>Property licensing is an additional enforcement tool that assists local authorities in the regularisation of the Private Rented Sector. Property licensing places the onus on landlords to identify themselves as the responsible owner and provide the Council with details of all of the property that they own that requires licensing.</p>

Cabinet approved the designation of a borough wide additional licensing scheme for Houses in Multiple Occupation in February 2019. This designation makes it a legal requirement for any person operating an HMO within Haringey to have a Licence for that premises. The scheme is currently in its third year and runs for a maximum period of 5 years. The scheme applies to the whole borough, for households of three or more persons who are not related.

On 8th March 2022 the Council's cabinet approved the proposal to introduce selective property licensing within a designated area of the borough. On 14th April 2022 an application was made to Department for Levelling up Housing and Communities (DLUHC), whose authorisation is required before the scheme can become operative. The selective licensing scheme is in place east of the railway line and applies to all households in this area.

Selective property licensing is being introduced to tackle poor property conditions in wards that have elevated levels of deprivation. As part of the selective property licensing scheme, DLUHC require the Council to set clear objectives and outcomes in relation to improving property condition and alleviating deprivation within the private rented sector. Haringey is recorded in the English indices of deprivation as the 4th most deprived borough in London, and 49th most deprived in England. Tackling fuel poverty is one of the key objectives of the selective property licensing scheme.

The Additional HMO Licensing scheme has been in operation now since 28th May 2019. As of June 2022:

Total Number of Licence applications Received - 3454

Total number of licence applications Issued - 2815

Total number of compliance checks undertaken - 1003

Total number of households living in improved conditions - 9

8 CPNs issued for failing to licence

The purpose of the scrutiny review is to better understand the position of the private rented sector, understand how the differing licensing schemes have impacted the sector. Has this increased rents for example? What else can the Council do to support those living in private rented accommodation.

<p><b>Objectives/Desired outcomes</b></p>	<p>To make recommendations to the Council's Cabinet in relation to its selective licensing scheme and the wider regulation and support offered to those in the private rented sector housing market. What else could the Council be doing in this area?</p>
<p><b>Initial lines of questioning</b></p>	<ul style="list-style-type: none"> <li>• We want to be sure that the scheme isn't having a negative effect on tenants including increased risk of eviction and unintended consequences like it leading to complications with immigration status. What impact does the scheme have on gentrification and rising rents.</li> <li>• In general, what protections from rent increase are there?</li> <li>• What is the scope of the regulatory regime – what powers does the council have?</li> <li>• How do we ensure compliance with the selective licensing scheme? What do we do to monitor compliance with the mandatory licence conditions and what is the enforcement mechanism</li> <li>• What ability do tenants have to hold landlords to account. What additional assurances does the selective licensing scheme offer tenants, compared to a normal AST.</li> <li>• How well is the licensing team working?</li> <li>• Can we push the government to do more?</li> <li>• What kind of effect has private rented sector accommodation licensing had across London? Are more people being evicted for example</li> <li>• Can we use the scheme to end discrimination by tenants who are on benefits and how?</li> </ul>

<p><b>Terms of Reference (Purpose of the Review/ Objectives)</b></p>	<p>To review the impact of the implementation of the Council’s landlord licensing scheme on the private rented sector. The review will be looking at both the additional licensing scheme, introduced in 2019, as well as impending introduction of the selective licensing scheme, following DHULC approval.</p> <p>The Panel are keen to understand the impact of the licensing schemes on the quality of accommodation available as well as the overall supply of housing in the borough.</p> <p>The Panel are also keen to understand what other support the Council could provide to those living in the Private Rented Sector and what are other local authorities doing around this.</p>
<p><b>Scrutiny Membership</b></p>	<p>The Housing, Planning and Development Scrutiny Panel:</p> <p>Cllr White (Chair), Cllr Adje, Cllr Harrison-Mullane, Cllr Hymas, Cllr Barnes, Cllr Mark Blake &amp; Cllr Moyeed</p>
<p><b>Links to the Borough Plan</b></p>	<p>A safe, stable and affordable home for everyone, whatever their circumstances</p> <p><b>Priority 1: Housing</b></p> <p>Outcome 3: We will work together to drive up the quality of Housing</p> <p>C) Improve the quality of private rented housing and the experience of those living in it, including by expanding landlord licensing and associated enforcement</p>
<p><b>Evidence Sources</b></p>	<p>These will include:</p> <ul style="list-style-type: none"> <li>• Guidance, research and policy documents;</li> <li>• Interviews with Cabinet Member, key officers, and local campaign groups</li> </ul>

	<ul style="list-style-type: none"> <li>• Tenants</li> <li>• Landlords/management agents.</li> </ul>
<b>Methodology/Approach</b>	<p>A variety of methods will be used to gather evidence from the witnesses above, including:</p> <ul style="list-style-type: none"> <li>• Desk top research;</li> <li>• Evidence gathering sessions with witnesses; and</li> <li>• Visits</li> </ul>
<b>Witnesses</b>	<ul style="list-style-type: none"> <li>• Officers – Lyn Sellar, Robbie Erbmman, David Joyce</li> <li>• Cabinet Member for Housing, Private Renters and Planning</li> <li>• Local campaign groups – London renters Union (Haringey branch), Acorn Group (represent private renters), Shelter, Citizen’s advice bureau. Also, generation rent.</li> <li>• Citizens Advice and CAB</li> <li>• Tenants and Management agents</li> <li>• Other councils that have had a selective licensing scheme in place for a longer time i.e. Newham.</li> </ul>
<b>Equalities Implications</b>	<p>The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to: (1) Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act; (2) Advance equality of opportunity between people who share those protected characteristics and people who do not; (3) Foster good relations between people who share those characteristics and people who do not.</p> <p>The three parts of the duty applies to the following protected characteristics: age; disability; gender reassignment; pregnancy/maternity; race; religion/faith; sex and sexual orientation. In addition, marriage and civil partnership status applies to the first part of the duty.</p> <p>The Panel should ensure that it addresses these duties by considering them during final scoping, evidence gathering and final reporting. This should include considering and clearly stating: How policy issues impact on different groups within the community, particularly those that share the nine protected characteristics; Whether the impact on particular groups is fair and proportionate; Whether there is</p>

	<p>equality of access to service and fair representation of all groups within Haringey; Whether any positive opportunities to advance equality of opportunity and/or good relations between people, are being realised. The Panel should ensure that equalities comments are based on evidence, when possible.</p>
<b>Date for completion</b>	Cabinet - March 2023
<b>Reporting arrangements</b>	The Director of Housing, Regeneration & Planning will coordinate a response to Cabinet to the recommendations of the panel's final report.
<b>Publicity</b>	The review will be publicised through the scrutiny website. The outcomes of the review will be similarly published once complete.
<b>Constraints / Barriers / Risks</b>	We aim to complete the draft report before the spring 2023. However, In order to achieve this, we need to keep the review short, specific and time focused. A failure to do so will undermine the timescales for this report and risk the report not being completed by the end of the municipal year.
<b>Officer Support</b>	Lead Officer; Philip, Scrutiny Officer, 0208 489 2957 <a href="mailto:philip.slawther2@haringey.gov.uk">philip.slawther2@haringey.gov.uk</a>