

Additional HMO Licensing Scheme

2024-2029

Appendix 5

Council Response to Consultation Findings

Proposed New Additional HMO Licensing Scheme 2024-2029.

Council's response to consultation feedback. 27th November 2023 and 12th February 2024

Note: some comments have been summarised.

Reasons for Opposing to a New Additional HMO Licensing Scheme.		
1	Unfair / Unnecessary burden on good landlords.	<p>Not accepted.</p> <p>The evidence suggests that although landlords may have good intentions many remain non-compliant with the minimum standards expected with HMO accommodation. e.g. 37% of landlords indicated at application phase that they did not have fire doors fitted within the HMO property that they rent. These a very basic legal requirements for this type of rented property. In addition to this, 57% of HMO property on inspection were not deemed satisfactory or minor concerns were identified.</p> <p>Licensing should not result in an additional burden for compliant landlords. The Council intends to minimise any burden on good landlord and the licence conditions ask only of what is expected from a responsible landlord.</p> <p>Where a property falls short of the required standards, our priority will be to support the landlords to improve the property.</p>

2	<p>Licence Conditions are unfair on landlords, agents, licence holders.</p> <p>Tenants should be held more to account for their responsibilities.</p>	<p>Not Accepted</p> <p>Within the Housing Act 2004, mandatory licence conditions are stipulated for both mandatory HMO licencing and additional HMO licencing.</p> <p>Discretionary licensing conditions can also be added to address local issues experienced by each individual local authority.</p> <p>LB Haringey have included conditions that ensure landlords are undertaking both statutory duties but also management responsibilities, which if not accounted for, impact on tenants and or local residents.</p> <p>Feedback from the consultation regarding the licence conditions was overall supportive of those who took part.</p>
3	<p>The scheme should focus on landlords who fail to licence.</p>	<p>Accepted</p> <p>The scheme has targeted hundreds of landlords who initially failed to licence and who were recipients of warning letters.</p> <p>Of those that continued to operate HMO without a licence 42 have received enforcement action and been issued with Civil Penalty Notices to the value of £211,850</p>
4	<p>Greater support is needed for landlords / agents within this sector to deal with problematic tenants and help with the eviction of problematic tenants.</p>	<p>Partially Accepted</p> <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 regarding tenant behaviour that has a detrimental effect on the management of a property.</p>

		It is envisaged that support will be offered through agenda items at Haringey Landlord Forum and through a landlord newsletter.
5	More support, training and information for landlords who are part of the scheme.	<p>Accepted</p> <p>Haringey work in partnership with the London Landlord Accreditation Scheme (LLAS) offering training, guidance and accreditation to landlords and agents.</p> <p>Haringey are now also holding regular landlord forums which is an opportunity for landlords to network, engage with council officers and take part in lively, topical and profession relevant agenda items.</p>
6	Need more resources to make sure the scheme is working that rogue landlords are forced to take part and failing landlords are made to become compliant.	<p>Accepted.</p> <p>The Council is confident that the schemes' financial model allows for the correct level of resources to be used to operate the scheme appropriately. Any increase in resources would require a higher licence fee.</p> <p>Were recruitment of experienced officers is affecting staffing resources the Council will be looking to provide inhouse training to upskill existing staff or candidates. Ensuring compliance is the main objective of the additional HMO Licensing scheme. Training officers in compliance will mean non-compliant landlords are identified more rapidly and enforcement action against non-compliance can be addressed as a priority.</p>
7	Existing Legislation already exists.	<p>Not Accepted.</p> <p>Additional HMO licensing has many additional benefits that the existing legislation does not provide to both local authorities and tenants. This includes information and data</p>

		<p>on the person managing accommodation, Protection for tenants and resources to regulate where there is believed to be issues for both tenants and residents.</p> <p>It also offers a more holistic large-scale approach to improving standards within this sector.</p>
Reasons for Agreeing to a New Additional HMO Licensing Scheme.		
8	Additional HMO licensing is the most appropriate use of powers as there is no real alternative, however it must be enforced, and landlords must comply.	<p>Accepted</p> <p>A total of 2166 compliance inspections have been undertaken as part of the scheme. All landlords are now provided with an inspection report showing the outcomes of that inspection. Any landlord who had an inspection that was deemed unsatisfactory or satisfactory but with concerns are provided with the list of defects and are given a time frame to complete remedial action. This is working very well and allows officers to focus on enforcing against those landlords who remain non-compliant, as detailed in the point 2 above.</p>
9	Too many poorly managed HMO exists in Haringey, landlords need to more accountable. This scheme offers this as a viable option.	<p>Accepted.</p> <p>The evidence report commissioned by LB Haringey through Metastreet Ltd supports this feedback from Consultees.</p> <p>https://new.haringey.gov.uk/media/3552/download?inline</p>
10	Licence conditions will help address poorly managed HMO accommodation especially bins and pest etc.	<p>Accepted</p> <p>The value of having licence conditions is one of the main benefits of the proposed new additional HMO licensing scheme.</p>

		<p>The conditions ensure landlords understand their responsibilities and they can be used to hold landlords to account.</p> <p>Failing to comply with licence conditions can result in enforcement action and a fine or prosecution.</p>
11	A new scheme will help reduce overcrowding	<p>Accepted.</p> <p>HMO Licenses stipulate maximum permitted numbers for a dwelling based on its size and amenity provision.</p> <p>The purpose of this is to ensure property is not overcrowded.</p>
12	New Additional HMO Licensing should be borough wide	<p>Accepted</p> <p>We are pleased that there was an overall acceptance the scheme should remain boroughwide.</p> <p>We feel that this allows for a comprehensive inspection regime of any HMO regardless of size or location within our borough.</p>
13	Agree with proposal but 3 rd part organisations and the Voluntary sector can play a bigger role and raise more awareness.	<p>Accepted</p> <p>It will be an objective of the new scheme to ensure we keep 3rd party organisation and voluntary sector agencies more involved in the scheme and that these organisations be given the opportunity to work more closely with the council in situations that involve our landlord, managing agents and tenant stakeholder.</p>
14	Good protection for tenants from eviction when HMO is not managed properly.	<p>Accepted.</p> <p>A landlord who does not have a licence in respect of an HMO that should be licensed is restricted from using sec 21 procedure to obtain possession when a discretionary Licensing scheme designation is in place.</p>

	<p>Licensing works well when enforced and brings landlords 'into the fold to do what they need to do' but that the Council should support landlords to make improvements and when they have problematic tenants.</p>	<p>Accepted. The Council has a fair enforcement policy and will provide a balanced view when taking action to ensure that the policy is upheld.</p> <p>The Council wishes to support landlords who are willing and accepting of their responsibilities and who can evidence their efforts to gain compliance and or remain compliant.</p>
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Fees and Discount Responses		
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<p>15</p>	<p>There should be no fee charged.</p> <p>Not value for money.</p> <p>Disagreement with the proposed licence fee set at £1331.00.</p>	<p>Not Accepted</p> <p>The Council could not operate and additional HMO licensing scheme without charging a fee.</p> <p>Article 13(2) of the EU Services Directive (2006/123/EC) requires that the licence fee paid by the applicant must be reasonable and proportionate to the cost of the authorisation (licensing) procedure and shall not exceed the cost of the authorisation (licensing) procedure. This means that the costs of the proposed licensing schemes must be cost neutral whereby the total licensing fee income does not exceed the expenditure over the five-year duration of the scheme. The licence fees for licence applications were set taking into account all of the Council's costs in administering and carrying out its licensing functions. The proposed fees are underpinned by assumptions about the level of income the fees will generate, based upon the number of properties that we expect to be licensed during the life of the schemes.</p> <p>The Council have not increased the HMO licensing fee other than in line with yearly inflation costs. The fee proposed at the time of consultation was £1331.00 based on a predicted inflationary cost for 2024-25. The actual proposed fee is to be set at £1295.00 to reflect 7% inflation charges.</p>
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		<p>The fee has been as follows: - 2019 -2023 - £1100 2023 -2024 - £1210 New proposed fee is as follows: - 2024-2025 - £1295</p>
16	The Licensing Scheme is a money-making scheme.	<p>Not Accepted</p> <p>See point 15 above.</p>
17	Licence Fee will be passed onto to tenants along with all of the other costs now burdening landlords and agents.	<p>Not Accepted.</p> <p>There is no evidence of the licence fee becoming a burden passed on to renters. The proposed licence fee is £1295.00 for a five-year licence. Based on the average three bedroom let this would equate to £1.80 per week, (£7.20 per month) per tenant. With the average room rent in an HMO totalling £721.00 per month the amount is insignificant to most landlords.</p> <p>Licence holders who are accredited and licensable property that has an EPC of A-C are also entitled to discounts off of the overall licence fee.</p>
18	More discounts should be given for compliant Landlords.	<p>Not Accepted.</p> <p>As stated in point 18 discount are available to licence holders and applicants where applicable.</p>
19	The Part A fee for a renewed application should be reduced.	<p>Not Accepted.</p> <p>All applications applied for under the new scheme will undergo the same legal checks regardless of whether the applicant has applied in the past.</p>

		<p>As the majority of licences last 5 years it is important that all due diligence checks are carried out again to ensure that personnel and property details are still valid and correct.</p> <p>There is therefore no reduced burden to the council in processing the application at Part A.</p>
21	Landlords will leave the market or the sector and rent to just families.	<p>Not Accepted.</p> <p>The introduction of discretionary licensing schemes by local authorities is not evidenced as a sole contributing factor for landlords leaving the market. It is accepted that landlords may be leaving the private rented sector for multiple reasons the most common reason given by landlords in a latest NRLA survey was tax and regulation, with tax being ranked higher amongst former landlords than active landlords.</p> <p>Renting to landlords does not avoid the need for regulation. Many local authorities also have licensing schemes in place for non-HMO rented property known as Selective property licensing. Haringey has such as scheme covering the east side of Haringey borough.</p>
22	Fees should be based on size of property.	<p>Accepted.</p> <p>The proposed fee structure does take account of the size of the property when setting the fee. There are additional charges for landlords who have larger HMO property.</p>
23	Multiple Property discount should be on offer to landlords or agents who own several properties.	<p>Not Accepted.</p> <p>The number of properties owned by a landlord or agent does not reduce the burden on the council's resources for</p>

		processing those applications and or the compliance regime required to inspect each of the property licensed.
Alternative options to Licensing and other suggestions		
24	Council Should build more affordable homes.	<p>Accepted.</p> <p>The Council's aim is to build 3,000 new high-quality council homes by 2031 and work has already started or been completed on more than 2,000 homes across Haringey. The Council believe it is important that new housing in Haringey is developed in partnership with the neighbouring community so that it reflects the needs and aspirations of local residents.</p> <p>Council home building programme Haringey Council</p>
25	Parking Fees make the job harder for landlords to inspect property regularly and get works done.	<p>Not Applicable.</p> <p>The issues raised regarding the Council's Parking Policy is outside the projects remit and could be raised as part of the council's ongoing parking consultations.</p> <p>Consultations for parking Haringey Council</p>
26	The council should provide a list of local, reliable trades people to do improvement works.	<p>Partially accepted.</p> <p>Linking agents and landlord with local trade people is something that the council could look into as part of the Licensing scheme.</p>
27	There needs to be a better system for reporting HMO if you are not a tenant.	Accepted

		<p>The private sector housing team web pages which cover the property licensing schemes have recently been updated and reformed to reflect feedback from landlords and tenants who regularly use the pages to access information.</p> <p>As part of this reform there is now a new way to report an unlicensed HMO that is intended for any residents or stakeholder to use to report this issue.</p> <p>Reporting an unlicensed property Haringey Council</p>
28	How will the council target unlicensed HMO?	<p>The Council will continue to use meta data and intelligence to identify property that is likely to be operating as an HMO without a licence.</p> <p>The register of licensed HMO can be used to identify if an HMO holds a current license and those identified as being unlicensed will be targeted.</p> <p>Search the public register of licensed premises Haringey Council</p> <p>Officers regularly undertake in person street surveys and use intelligence provided by frontline workers and officers who often visit residents to undertake their professional roles who live in unlicensed property.</p>
29	Inclusion of Sec 257 HMO Accommodation only if it is in the same ownership.	<p>Not Accepted</p> <p>The Council have opted to include all sec 257 HMO as per the legal definition within the designation to ensure a fair and balanced approach to Sec 257 HMO being let.</p>

