

Update on Selective Private Rented Landlord Licensing

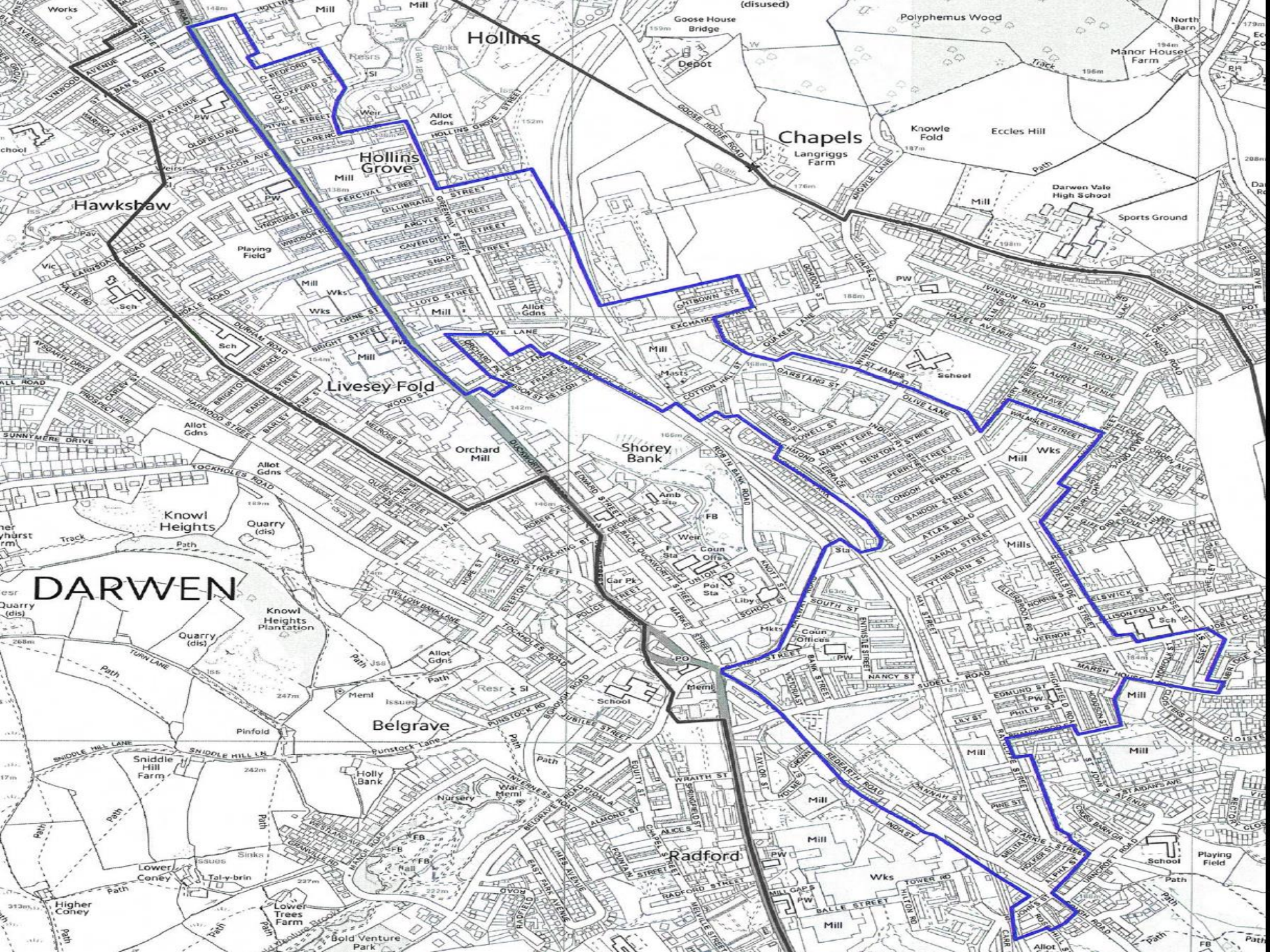
Neighbourhoods and Prevention Portfolio

Update

- Ewood now in implementation stage
- Darwen being consulted with view to final proposals to Exec Board in January 2017
- Implementation from April 2017
- Griffin is the other area in operation

Quick Reminder Pre-requisites for licensing - Darwen

- 1) It is a low demand area and making designation would contribute to an improvement in social or economic conditions in area or
- 2) There is a significant and persistent problem caused by anti-social behaviour and landlords are failing to address this. Making designation will lead to a reduction or elimination of the problem.



Hollins

Chapels

Hawkshaw

Livesey Fold

Shore Bank

DARWEN

Belgrave

Radford

Quick outline of process for Selective Licensing

- Choosing an area
- Process of Designation
- Consultation
- Implementation of decision
- Conditions
- Pilot areas
- Lessons learned
- Further information

What defines low housing demand?

- Value
- Turnover
- No' of empty properties and length of time they remain unoccupied
- Tenure mix
- Lack of local facilities
- Impact of private rented sector on community
- Criminal activity/community safety

Anti-social behaviour

- Crime
- Nuisance neighbours
- Environmental crime
- Must consider that some or all of the private sector landlords are failing to take action to combat such problems that it would be appropriate for them to take.
- NB:- This may be considered to be a symptom of low demand.

Identify how a selective licensing designation will improve an area and how the designation will work alongside other existing policies or measures that are already being taken. Identify how it is part of the strategic borough wide approach and fits with existing policies on:

- Homelessness
- Empty homes
- Regeneration, improve the housing market
- Anti-social behaviour

- Designation comes into force 3 months after date of approval and lasts for a maximum of 5 years
- All landlords or their managing agents required to obtain a licence to let or manage residential property unless
 - a) Exempt or
 - b) Covered by other licensing in the Act or
 - c) Temporary exemption notice
- **Following designation** Local authority **must:**
 - publish a notice within the designated area within 7 days of the confirmation of the designation
 - Notify all those consulted on the proposed designation within 2 weeks of the designation being confirmed

Conditions of licence

- Licence holder must be a fit and proper person and checks are carried out to ensure this.
- The owner must decide the most appropriate person to be the licence holder
The proposed manager (if a different person) must also be a fit and proper person

Sanctions

- All privately rented properties let at any time during the licensing period are required to be licensed unless they are exempt. (Every property (not landlord) must have a licence)
- LA has a duty to promote licensing ie actively seek applications.
- Offence to manage or have control of a property which is required to be licensed and is not so licensed – fine £20,000.
- Breach of conditions – fine £20,000
- Rent repayment order – 1 year's Housing Benefit

Mandatory conditions

- Annual Gas safety certificate
- Electrical appliances and furniture safety
- Installation and maintenance of Smoke alarms
- Provision of written terms to each occupier
- Demand references from all prospective tenants or licensors

Other conditions

- LA can impose other conditions which it considers appropriate for
- ‘regulating the management , use and occupation of the house concerned.’
- It does not allow conditions relating to the condition or contents of the house however it is clearly a management function that landlords keep their properties in repair, clean and tidy so generic conditions can be imposed to do this.

Discretionary conditions

- The licence holder should
- Investigate complaints of anti-social behaviour at the property
- Act lawfully in circumstances where the licence holder seeks repossession of the property
- Ensure the facilities and equipment within the property are adequately maintained
- Act lawfully and reasonably in requiring any advance payments, handling rents, returning deposits and making deductions from deposits
- Ensure the property is compliant with all current housing legislation



Lessons learned

- Clarity over boundaries
- Clarity over fees
- Advice to landlords on who should be licence holder
- Clarity over no transfer of licences.
- Agreement to flexibility of payment for late applications
- Requirement to pay accumulated fees for applications in Years 2, 3, 4 and 5
- Introduction of card payments

- Need to reduce administration
- Use of standardised letters and automated production of letters.
- Introduction of early bird discount where full application received before a certain date. Requirement to submit electrical certificate and EPC as part of full application.
- Obtaining e-mail address as part of application and accepting scanned copies of certain documents by e-mail.
- Details of whether licence holder or manager is responsible for fees and gas safe certificates

- Consideration of results of judicial review at Hyndburn
- Taking on board comments of landlords both before and during consultation process for new area.
- Streamlining and simplification of application forms
- Clearer guidance notes
- Checklist for applications for staff use
- Introduction of penalty fee for applications made 12 months after designation
- Introduction of different fee for HMO's

Government legislative changes

- Review of property conditions in the Private Rented Sector
- 20% rule
- Emphasis on rent repayment
- Retaliation against tenants for pursuing rights
- Anti Social Behaviour Act 2014

Further information

- Approval steps for additional and selective licensing designation in England (Guidance issued by CLG Feb 2010)
- A guide to the licensing and management provisions in Parts 2,3,and 4 of the Housing Act 2004 (draft guidance issued by CLG Jan 2010)
- The Selective Licensing of Houses (Specified Exemptions) (England) Order 2006
- SI 2006 No' 373 The Licensing of Houses in Multiple Occupation and Other Houses (Misc' Provisions) (England) Regulations 2006
- The Housing Act 2004:Licensing of Houses in Multiple Occupation and Selective Licensing of other Residential Accommodation (England) General Approval 2010

