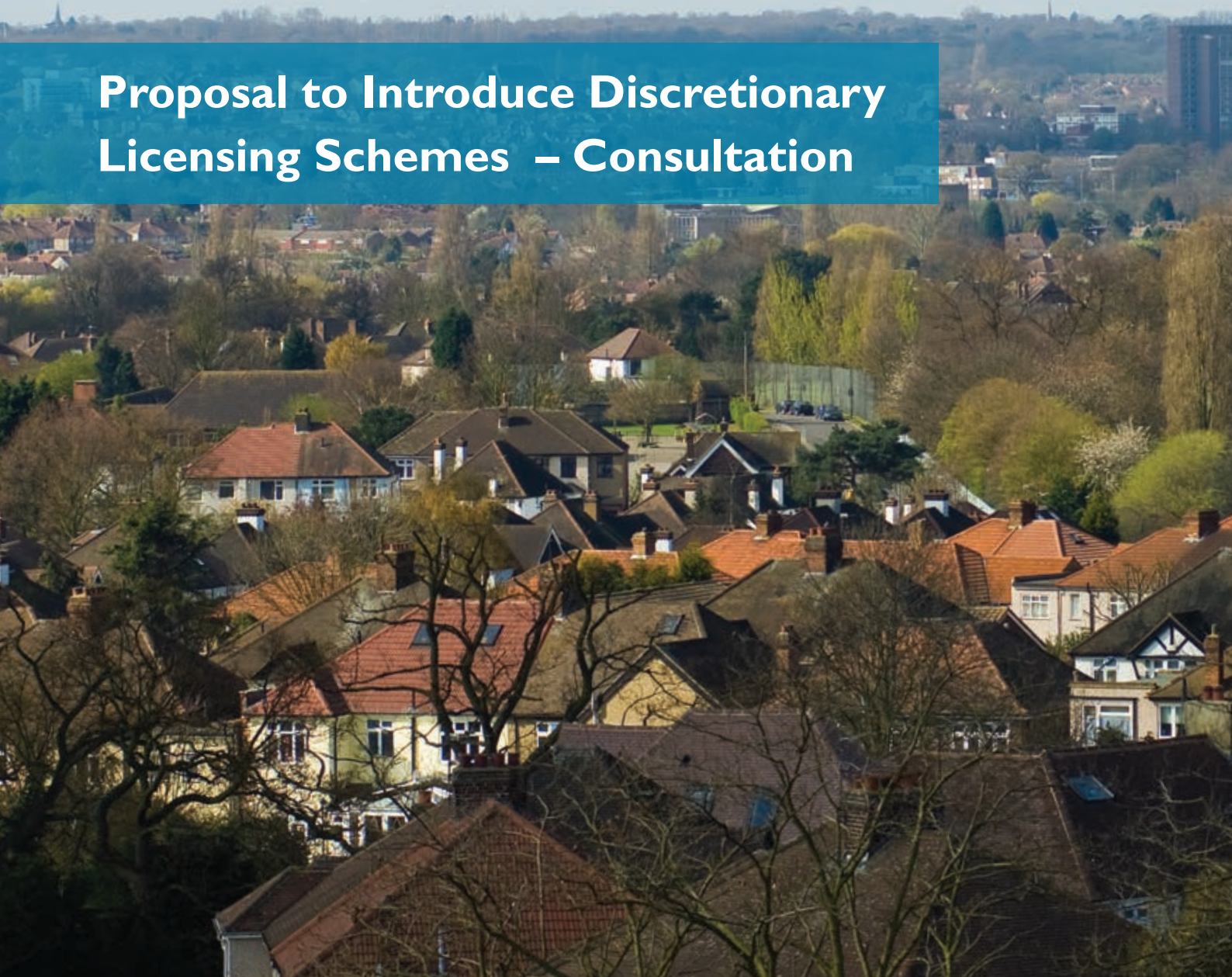




Rent it Right

**Proposal to Introduce Discretionary
Licensing Schemes – Consultation**



Rent it Right

A Consultation Document

1. PROPOSAL TO INTRODUCE DISCRETIONARY LICENSING SCHEMES IN THE LONDON BOROUGH OF BEXLEY

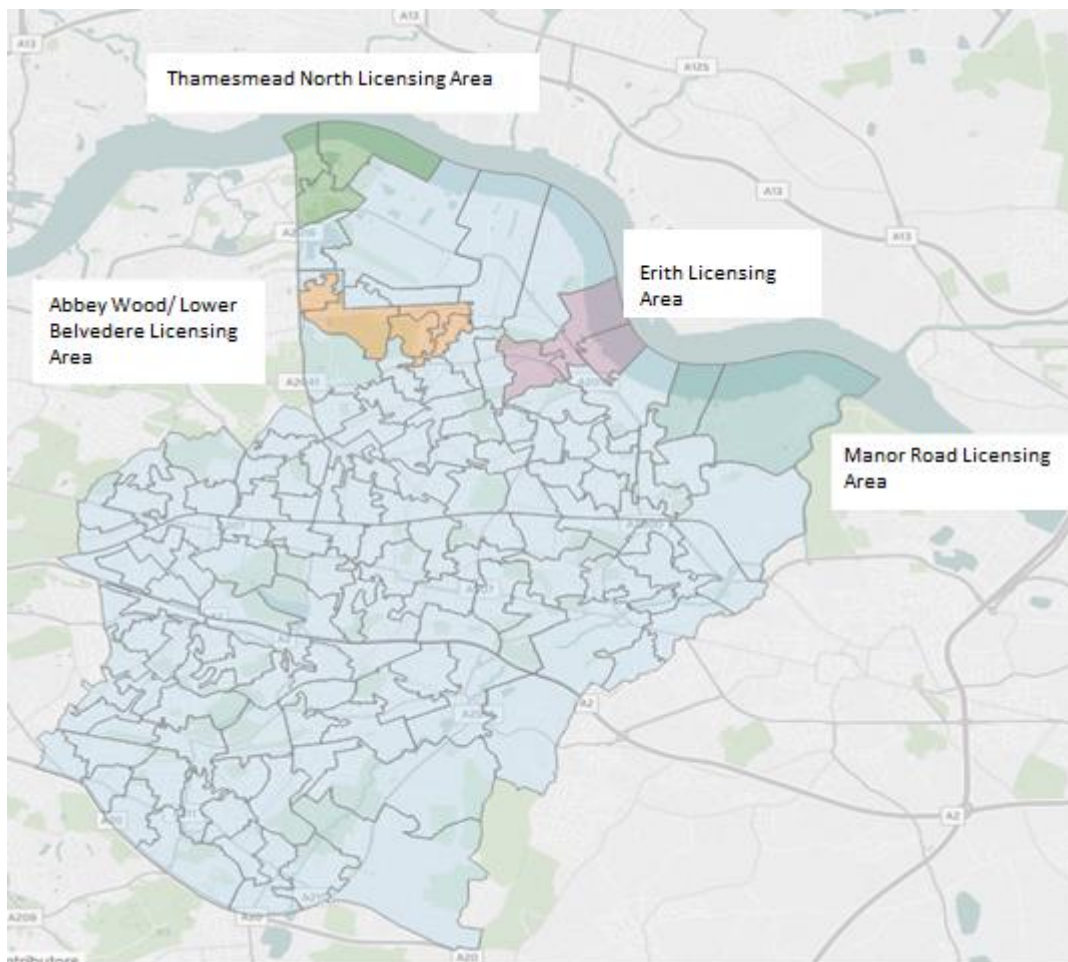
The London Borough of Bexley is consulting on its proposal to introduce discretionary property licensing schemes in its borough:

A Borough wide Additional Licensing Scheme for certain Houses in Multiple Occupation (HMOs)

Selective Licensing Schemes applying to four defined areas in the North of the Borough. These are

1. Thamesmead North
2. Abbey Wood/Lower Belvedere
3. Erith
4. Manor Road

A map showing the proposed selective licensing areas is shown below. More detailed maps of each area are set out at [Appendix I](#). An address look up is also available on the Council's Rent it Right web page so specific addresses can be identified.



The introduction of discretionary licensing in Bexley supports both the borough's corporate plan priorities and the Mayor of London's priorities which aim to tackle sub-standard and poorly managed private rented sector properties and support landlords to provide good quality private rented properties and HMOs.

1.1 The Legal Framework for Licensing Private Rented Housing

The Housing Act 2004 makes provision for one mandatory licensing scheme and two discretionary licensing schemes that local authorities can implement to license private rented housing:

Mandatory Licensing:

Presently mandatory licensing under Part 2 of the Housing Act 2004 requires all houses in multiple occupation comprising three or more storeys, occupied by five or more persons, living in two or more single households to be licensed. The Government is intending to extend the scope of mandatory licensing to include HMOs occupied by five or more persons in two or more households, regardless of the number of storeys, but has not yet done so and has given no indication as to when it proposes to do so.

Additional Licensing:

Local authorities have a discretionary power to license HMOs which are not covered by mandatory licensing. Additional licensing, under Part 2 of the 2004 Act, applies to HMOs of a description given by the local authority in any designation it makes under section 56 of the 2004 Act.

An additional licensing scheme can only be introduced if the Council believes that a significant proportion of the described HMOs in the area are being managed sufficiently ineffectively as to give rise to, or be likely to give rise to, problems for the occupants or for members of the public (including anti-social behaviour (ASB)). A 'significant proportion' does not mean the majority, but means more than a small minority.

Selective Licensing:

Local Authorities have a discretionary power to introduce licensing for privately rented properties accommodating single households. The purpose of this is, among other purposes, to address the impact that poorly managed rented properties can have on the local environment and to improve housing conditions. Part 3 of the Housing Act 2004 sets out the scheme for licensing privately rented properties in a local authority area. Under section 80 of this Act, a local housing authority can designate the whole or any part(s) of its area as being subject to selective licensing.

Where a selective licensing designation is made it applies to all privately rented property in the designated areas (this means Part 3 Houses which may be houses or flats, as defined by sections 79 and 99 of the Housing Act 2004). There are certain exemptions (which are detailed later in this document) for example dwellings let by registered providers of social housing, or HMOs required to be licensed under Part 2 of the Housing Act 2004.

If the local authority makes a Selective Licensing designation that covers:

- I. 20% or less of its total geographical area and
- II. Includes less than 20% of its privately rented properties

then the scheme will not need to be submitted to the Secretary of State for Communities and Local Government (DCLG) for approval, provided the authority has consulted for at least 10 weeks on the proposed designation. Larger Selective Licensing Schemes covering a wider designation or the whole borough will require specific Government approval. The selective licensing scheme that Bexley is proposing will not need to be approved by the secretary of state.

A selective licensing designation may be made if the area to which it relates satisfies one or more of the following conditions. The area is one experiencing:

- I. Low housing demand (or is likely to become such an area);
- II. A significant and persistent problem caused by anti-social behaviour;
- III. Poor property conditions;
- IV. High levels of migration;
- V. High levels of deprivation;
- VI. High levels of crime.

To satisfy the condition relating to anti-social behaviour the Council must show some or all landlords who have let premises in the area (whether under leases or licences) are failing to take action to combat and effectively deal with the problem.

In considering whether to designate an area for selective licensing on the grounds above on property conditions, migration, deprivation and crime the council may only make a designation if the area has a high proportion of property in the private rented sector.

1.2 Selective Licensing in Bexley

It is proposed that the additional controls afforded by the selective licensing of privately rented property are targeted at those areas identified by the Council's research where there is a high proportion of privately rented property and a high level of ASB. This combination of factors has been used to determine which areas would benefit most from the introduction of discretionary selective licensing.

Non-statutory guidance produced by the Department of Communities and Local Government (DCLG) in 2015 defined an area having a high proportion of privately rented property as one where it makes up more than 19% of the housing stock in that area. The latest English Housing Survey published in March 2017 shows this figure has now risen to 20.1% of all dwellings by tenure. Bexley has reviewed its evidence base using this new higher figure of 20.1%, as a benchmark for the areas it proposes to include in its selective licensing designation, to demonstrate a high proportion of property is privately rented.

1.3 Additional (HMO) Licensing in Bexley

HMOs are distributed across the borough and give rise to significant levels of ASB and complaints about poor housing conditions by comparison with the rest of the PRS (Evidence Base [Appendix II](#)). 43% of HMOs have ASB and/or nuisance complaints compared with 19% of overall PRS properties. The evidence collated by the Council supports the introduction of a borough-wide additional licensing scheme.

2. THE CASE FOR ADDITIONAL & SELECTIVE LICENSING IN BEXLEY

The initial data gathering exercise which was completed in 2016 (Evidence Base [Appendix II](#)), was followed by a consultation and engagement exercise on the proposal to introduce a borough wide additional licensing scheme for all HMOs and selective licensing covering the post code areas of SE28 and DA8.

The consultation and engagement exercise carried out during 2016 and 2017 revealed general support for proposals from those who responded. The engagement exercise with landlords continued after the consultation exercise closed through a series of meetings and focus groups. This work has been useful in helping to shape the details of the scheme along with the fee levels etc.

In addition to this engagement work a further analysis of the evidence has been carried out. The data has been broken down from the post code areas initially considered into smaller local super output areas. This has allowed the proposed selective licensing scheme to be focused on those areas with the highest levels of private renting and the highest levels of ASB. The Council is proposing four designated areas for selective licensing which are:

- 1. Thamesmead North**
- 2. Abbey Wood/Lower Belvedere**
- 3. Erith**
- 4. Manor Road**

2.1 Results of Data Gathering

The data from the initial data gathering exercise completed in 2016 revealed the following:

- There is a greater incidence of ASB/nuisance per property in the PRS than in other tenures, with an average of 9% more ASB/nuisance in the PRS. Therefore, ASB and nuisance is more frequent within the PRS across the borough compared with other housing tenures.
- The greatest numbers of HMOs are in DA8, which has approximately 200.
- The highest level of ASB/nuisance is in the post code area of SE28, with 34% of properties having problems compared to the borough average of 19%.
- HMOs are generally spread across the borough and are more likely to give rise to ASB and nuisance issues than the rest of the PRS. 43% of these HMOs have ASB and/or nuisance complaints compared with 19% of overall PRS properties.
- There are 380 known HMOs but there are likely to be approximately a total of 1405 HMOs across all postcodes in the borough.

2.2 Consultation & Engagement

There were 243 people who responded to the survey during the consultation period and of these 165 told us they were residents, 87 landlords and 10 agents for rented properties in the borough.

The main findings were that:

- 61% agreed that licensing HMOs drives up standards and protects tenants and landlords.

- 48% agreed that a property licensing scheme will help areas suffering from ASB.
- 61% of the respondents felt that the licensing scheme should specify how landlords should deal with ASB.
- 61% agreed with extending the current licensing scheme to cover all HMOs.
- A majority of 54% agreed that selective licensing can have a positive impact on privately rented housing in Bexley.
- 47% felt that selective licensing will ensure that all privately rented properties are well maintained and managed and 40% felt that selective licensing will reduce ASB; however 39% did not think it would reduce ASB.
- 49% said that they thought the implementation of the licensing scheme for the private rented sector will have a positive impact on private rented properties in Bexley
- 49% said that if they owned a property which would require a licence, that there should be additional benefits to the landlord of those properties.
- Overall the majority of respondents (53%) supported the introduction of selective licensing in the London Borough of Bexley and 59% supported the introduction of selective licensing where there is a high level of ASB, within Erith (DA8) and Thamesmead (SE28) areas.

2.3 Further Analysis

The initial data on ASB was broken down further by looking at the data according to the smaller, local super-output areas.

Selective licensing

To determine which areas may be suitable for selective licensing the further analysis looked to identify those areas which had high levels of private renting and also high levels of ASB in the private rented stock.

The national average for private renting which comes from the English House Condition Survey published in March 2017 is 20.1% and the borough average for ASB in private renting is 19.2%. In selecting these two figures, further analysis revealed that there are 15 areas where the percentage of privately rented properties is above the national average and that these properties are more likely to have ASB compared to the borough average.

The 15 areas were then subjected to further analysis to identify those with the highest level of private renting linked with higher levels of ASB. The areas selected are those with a higher level of private renting than the 20.1% national average and/or higher levels of ASB than the Bexley borough average in private renting of 19.2%.

This further analysis identified that there are 13 areas set out in the table below which meet these criteria and that these group into 4 clusters in the north of the borough. The maps shown in [Appendix I](#) give the areas where these are found.

The table below shows the breakdown for the 13 local super-output areas (LSOA)

LSOA	HMO	Owner Occupier	PRS	RSL	Grand Total	% PRS in LSOA	% ASB (PRS)
E01000336	4	255	168	404	831	20%	27%
E01000337	2	431	165	94	692	24%	32%
E01000338	1	468	213	29	711	30%	23%
E01000404	1	341	417	284	1043	40%	21%
E01000405	5	308	152	73	538	28%	28%
E01000406	14	383	178	45	620	29%	31%
E01000416	11	288	131	107	537	24%	37%
E01000418	3	424	178	133	738	24%	22%
E01000429		250	290	212	752	39%	29%
E01000430		422	145	137	704	21%	35%
E01000467	4	305	247	65	621	40%	29%
E01000468	13	481	386	96	976	40%	34%
E01000469	5	350	214	101	670	32%	40%

The details of the 4 cluster areas are given in the table below.

Name of Selective Licensing Area	Local Super Output Areas included in area	Number of Private Rented Properties	% of Private Rented Properties	% of PRS which have ASB
Thamesmead North	467,468, 469	847	37%	34%
Abbey Wood/Lower Belvedere	336, 337, 338, 416, 418	855	24%	27%
Erith	404, 405, 406	747	34%	25%
Manor Road	429,430	435	30%	31%

It is proposed that these four clusters should form targeted areas for selective licensing schemes. The clusters are:

1. **Thamesmead North**
2. **Abbey Wood/Lower Belvedere**
3. **Erith**
4. **Manor Road**

The data confirms the four areas identified each satisfy the condition of there being a significant and persistent problem caused by ASB. This is evidenced by the levels of ASB in each being substantially higher than the borough average of 19.2%. In these areas a significant proportion of landlords are failing to effectively manage their properties so as to combat incidences of ASB which is evidenced by the high levels of ASB associated with the private rented sector in the four areas. The ASB data about private rented properties has been gathered from a range of sources including

police and council ASB data, housing and environmental health records and provides confirmation that landlords are failing to prevent their tenants or people visiting their properties causing ASB. A selective licensing scheme in the four areas identified as having the highest levels of ASB associated with privately rented property will enable the Council to require landlords to improve the management of private rented properties in these areas and reduce ASB. This will be achieved by imposing licence conditions that specifically require landlords to control and report incidences of ASB to the appropriate authorities and by requiring that all landlords are Rent it Right accredited.

Recent research has shown the majority of private sector landlords own only a single rented property and two-thirds of them are using rental income as a supplement to a main job or pension. Only 6% said they are self-employed as landlords. This indicates landlords are largely non-professional landlords and means the reason for their failure to deal with ASB could be as a result of lack of awareness or knowledge about how to properly manage property and tenants. The Council is proposing to make it a condition that licence holders are Rent it Right accredited which means they will be fully aware of their legal duties and responsibilities and therefore able to deal with ASB much more effectively.

Each of these four areas level of private renting is higher than the 20.1% national average which satisfies the condition that the areas must have a high proportion of property in the private rented sector.

Additional licensing

The initial data gathering exercise demonstrated a very strong correlation between HMO property and ASB/nuisance with 43% of HMO property having identified issues relating to planning, ASB, housing condition and/or environmental health which are significantly higher than the PRS average of 19%.

A further breakdown of two specific types of ASB/nuisance caused by the 380 HMOs known to the Council, at the time of its initial data gathering exercise, is set out in the table below. These criteria have been selected to indicate poor property management. This data clearly shows that these HMO properties are not being effectively managed and are causing problems for both the people living at the property and members of the local community. This is evidenced by the significantly higher levels of police ASB and environmental health nuisance reports received compared to the rest of the private rented sector and all other tenures.

Incident type	HMO	Private Rented Sector (PRS)	All Tenures (excluding PRS and HMO)
Environmental Health Nuisance complaint*	22.6%	8.7%	3.4%
Police ASB record**	21.8%	12.4%	8.0%

*complaints about issues such as noise, rubbish accumulations, eyesore property

**ASB complaints to the police associated with specific residential property

The number of HMOs reported to the Council is now 640 showing an increase of 260, which equates to a percentage increase of 68%. The majority of these new HMO properties have been identified as a result of complaints made by neighbouring residents and complaints about conditions made by people living at the property. This demonstrates poor management of HMO property.

The HMOs are distributed across all postcode areas within the borough. As previously stated in the original evidence base ([Appendix II](#)) these are the HMOs known to the Council and represent a fraction of the HMOs that are predicted to exist in the borough.

Postcode	Number of HMOS 2017
DA1	12
DA14	70
DA15	71
DA16	62
DA17	68
DA18	33
DA5	23
DA6	26
DA7	41
DA8	149
SE2	48
SE28	35
SE9	2
TOTAL	640

The table below shows that the total number of service requests relating to HMOs has increased by 80% when comparing 2015/16 and 2016/17. Service requests are largely from tenants and neighbours making complaints about HMOS in their area or about living conditions in HMO property which shows poor management.

Year	Number of service requests	Number increase from previous year	% increase from previous year	Cases where category 1 and 2 hazards were found and resolved
2014/15	71	n/a	n/a	21
2015/16	149	78	110%	47
2016/17	268	119	80%	61

The data also shows an increase over the past three years in the number of category 1 and 2 hazards found in HMO property indicating an increasing problem with poor management leading to hazardous conditions for tenants living in these properties.

The ineffective management of HMOs, significant and continuing rise in their numbers and their borough wide distribution provides the case for a borough wide additional licensing scheme. An additional licensing scheme will impose requirements on landlords to ensure the effective management of HMOs across the borough which will improve conditions for tenants and reduce the wider impact of ASB/nuisance caused to people living close to HMO property.

The Council is proposing to make it a condition that licence holders are Rent it Right accredited which means they will be fully aware of their legal duties and responsibilities, understand the legal requirements towards their property and tenants, be able to provide better management and be able to deal with ASB much more effectively.

3. OTHER OPTIONS CONSIDERED

The alternative options to introducing discretionary licensing schemes have been considered and the merits of each approach considered below. A summary of these options and their pros and cons are set out at [Appendix IV](#).

3.1 Use Current Regulation of the Private Rented Sector in Bexley

Housing Health & Safety Rating System (HHSRS) The HHSRS is a risk-based evaluation tool used to identify and protect against potential risks and hazards to health and safety arising from any deficiencies identified in dwellings. It was introduced under the Housing Act 2004 and applies to residential properties in England and Wales.

In Bexley the current position is that officers inspect property on a largely reactive basis in response to complaints about poor housing conditions received by tenants living in private sector property or from people living in a neighbouring property who are affected by ASB from privately rented property. Action to protect the health and safety of occupants, by requiring a remedy to any serious hazards found can then be taken by enforcement officers.

The problem with this reactive approach is that only the more empowered tenants come forward to complain about their housing conditions. People who are privately renting in the lower end of the private rented sector are more likely to be living in poor conditions and are the least likely group to make a complaint (Shelter 2014¹). Continuing to provide a reactive service is therefore not going to improve those properties in the poorest condition. Incentives to encourage the most vulnerable tenants to come forward will not succeed because of the fear that it will lead to eviction by their landlord (Shelter 2014¹).

Mandatory Licensing of HMOs

This is a requirement under Part 2 of the Housing Act 2004. Part 2 requires all local authorities in England and Wales to license properties that are three or more storeys high, with five or more persons who form two or more households and contain shared facilities. A mandatory HMO licence will specify the maximum number of people who may live in the HMO along with specific licence conditions that the landlord must comply with.

The Government has announced an intention to extend the scope of mandatory licensing under Part 2 of the 2004 Act to include HMOs occupied by five or more

¹ Shelter 2014 Can't Complain: Why Poor Conditions Prevail in Private Rented Homes

persons in two or more households, regardless of the number of storeys. However, it has not yet introduced any legislation to give effect to this proposal.

The current and proposed mandatory licensing schemes for HMOs would not cover all the HMOs that Bexley intends to include in its additional licensing scheme and therefore isn't wide enough to provide the level of control Bexley needs to improve housing conditions in HMOs and mitigate the negative impact these properties have on neighbourhoods across the borough.

HMO Enforcement Initiatives - HMO Taskforce and London Lockdown

In response to the proliferation of HMOs in Bexley an HMO task force was set up approximately 18 months ago. The task force consists of representatives from the main agencies in the borough that are either involved with HMOs or receive reports about them to ensure intelligence is promptly shared and problem HMOs are identified at an early stage. Representatives from the fire brigade, police, environmental health, planning enforcement, building control and community safety attend the meetings. The task force has been successful in helping to target resources and enforcement towards a number of the most problematic HMOs in the borough. It is however, a reactive approach and can only respond to problems as they arise in a relatively small number of HMOs.

London Lockdown is a pan-London initiative set to investigate the extent of and to try and resolve the problems being caused by a particular model of renting that applies to certain HMO properties. The model involves sub-dividing relatively small family properties onto 6 bedroom HMOs to maximise housing benefit payments and the tenants living in these properties are often vulnerable people. Bexley, along with another 9 London boroughs, is part of the project and it is a useful means of sharing intelligence and best practice. The initiative was set up to only look at one model of HMO renting which has emerged fairly recently in limited areas of Bexley. It does not apply to all HMO property in the borough or all parts of the borough which makes it an inadequate solution to tackle the borough wide HMO problems identified in the evidence gathered by the Council.

3.2 Article 4 Direction

In response to growing issues around small HMOs in the borough, the Council formally made a non-immediate Article 4 Direction under the Town and Country Planning Act 1990 in September 2016. The order came into force on 24th September 2017 and removes the Permitted Development rights for the change of use from a dwelling house to a small HMO across the whole of Bexley borough. This is a planning control and relates to the creation of new HMOs only and does not provide for any control over existing poorly managed HMO properties in the borough.

3.3 Voluntary Accreditation Scheme

Bexley currently encourages all landlords to sign up to a landlord accreditation scheme. This has only had a limited success in raising the standards in HMOs and reducing ASB in private renting.

On its own this will not deal with the problem as it is voluntary. It will however form an important part of the proposed licensing schemes.

4. OPTIONS SELECTED AND REASONS

The decision to introduce the proposed selective and additional licensing schemes will see them working alongside the options in section 3. In reaching the decision consideration was also given to different licensing options namely:

1. a borough-wide additional licensing scheme
2. an additional licensing scheme in smaller, designated areas
3. a borough-wide selective licensing scheme
4. a selective licensing scheme in smaller, designated areas

The pros and cons of these options have been considered and are summarised at [Appendix V](#).

The Council's Proposal

An evidence-based approach, targeting the worst areas and/or property types in the borough, that requires landlords to come forward and be licensed is an approach that resolves the issue of relying entirely on complaints and will improve conditions for the most vulnerable tenants.

Licensing schemes will also provide the necessary focus and resources to proactively target those areas and property types known to be in the poorest condition and where evidence shows the highest prevalence of ASB.

Additional HMO licensing is also a means of ensuring the effective management and control of a property that has already been converted into an HMO, which will not be affected by the introduction of the Article 4 Direction. Bexley has recently seen a rapid rise in the conversion of property to HMO accommodation across the borough. The evidence base provided in support of additional licensing clearly shows the significant increase in both number of HMO properties and in complaints received from tenants about poor housing conditions and from neighbours about increasing nuisance and ASB.

The introduction of the proposed discretionary licensing schemes provides significant further targeted regulatory control of the private rented sector and is the only practical and beneficial solution to the problems identified in the borough.

The designation of the areas identified as subject to additional and selective licensing schemes will:

- Improve control over the use and management of privately rented housing in the areas identified as the most problematic in Bexley
- Provide a means to improve the condition and management of rented properties in areas with the highest levels of ASB and highest proportion of private rented properties in Bexley
- Provide a means to target and improve poorly managed property
- Reduce the significant impact that HMO properties have on ASB throughout the borough

In addition to these benefits the introduction of these schemes and the conditions that landlords are required to comply with ([Appendix VI](#)) will improve other important aspects of private renting in Bexley that will:

- Improve the living conditions for all tenants including the most vulnerable who do not come forward to make complaints
- Improve the Council's relationships with landlords
- Provide more help, support and education for landlords
- Encourage landlords to provide better quality accommodation
- Encourage and require landlords to be better informed about their legal duties and responsibilities towards their property and tenants
- Encourage and support more landlords to become and remain accredited which will improve property standards and management
- Better inform tenants about their rights and responsibilities
- Reduce ASB and promote safe attractive neighbourhoods
- Crack down on rogue landlords
- Raise the profile of private renting in Bexley to make it more attractive and accessible to everyone
- Improve data on the private rented sector in Bexley to enable the Council to be better informed and proactive in its decision making and in designing and promoting initiatives to support landlords and tenants.

5. LINKS WITH BEXLEY'S STRATEGIC AIMS

The Council is consulting on its corporate priorities. One of these priorities relates to "Living Well" where there is section called "Having a place to live". The number one outcome within this section relates to private renting:

Having a place to live

Making Bexley a place where people choose to live throughout their lives, with a supply of affordable properties that matches the needs and aspiration of all our residents including for rent and home ownership across all life stages.

Outcomes

- I. Well managed and well run private rental sector providing good quality and affordable accommodation

The selective and additional licensing schemes and the conditions landlords are required to comply with ([Appendix VI](#)) proposed by the Council directly support this strategic aim. The schemes will lead to an improvement in the condition and management of the most poorly managed properties in the private rented sector.

5.1 Homeless Strategy

The Council's Homelessness Strategy 2012-2018 aims to ensure that families and individuals have a place to call home in order to create conditions for improved education, a positive outlook on employment, health & wellbeing, reduced anti-social behaviour and safer and happier communities. The strategy is driven by the desire to make the process of finding somewhere to live much easier whilst improving the standard of housing and broadening choice. The three main aims of the strategy are to:

- Provide families, children and young people with safe and secure accommodation whilst preventing homelessness occurring in the first place
- Meet the needs of vulnerable people by providing flexible, multi-agency support to those in need whilst assisting in establishing settled and sustainable tenancies
- Ensure opportunities and choice for housing and providing quality, short term temporary accommodation where prevention is not possible

The proposed selective and additional licensing schemes directly support the Council's commitment to homelessness prevention. Landlords and tenants will be better informed about their rights and responsibilities which will reduce the number of tenants evicted from property and prevent homelessness from the outset. A higher quality better managed private rented sector including better quality HMO properties will provide more choice and options for families and individuals (including more affordable options) and prevent homelessness. The proposed schemes will also reduce the high incidence of ASB in the selectively licensed areas making them a safer place for people to live.

5.2 London's Housing Strategy

In September 2017 the Mayor of London published his Draft Housing Strategy. One of the key proposals in the report is his vision for an effective system of regulation through property licensing and landlord registration.

An extract from the draft strategy is given below.

MAYOR OF LONDON

DRAFT HOUSING STRATEGY

11. Improving the quality of private renting: Most landlords offer a good service to their tenants. However, almost a quarter of privately rented homes fail to meet the Decent Homes standard, and councils struggle to enforce minimum standards. The Mayor wants councils to have the tools and resources they need to ensure private renters can expect consistently decent standards. His vision is for an effective system of regulation through property licensing and landlord registration that is light touch for good landlords and focuses resources on pursuing those who behave unlawfully. As a first step to help improve standards, he will ‘name and shame’ landlords and letting agents who have acted unlawfully. He will also support councils to operate well-designed property licensing schemes, and to more closely share information and coordinate their actions. – Policy 6.1

The introduction of discretionary licensing in Bexley supports both the borough’s corporate plan priorities and the Mayor of London’s priorities and aims to tackle sub-standard and poorly managed private rented sector properties and aims to support landlords to provide good quality private rented properties and HMOs.

5.3 Bexley Community Safety Partnership Strategies

A stated aim of the Bexley Community Safety Partnership Strategy is to reduce crime and disorder including anti-social behaviour.

To deliver this it has a plan which sets out its priorities one of which is to develop a dynamic approach to tackle identified ASB in our communities. The Council’s proposal to introduce selective and additional licensing schemes in its borough links into and directly supports the achievement of this priority. PRS properties in the areas where selective licensing is proposed demonstrate a high incidence of ASB not only compared to the borough average but also to other privately rented property in the borough. Tackling this issue through the requirements imposed by the licensing scheme will require landlords to effectively manage and deal with ASB and to become accredited so they have the knowledge and support to do this.

The same applies to the additional licensing of HMO properties where the Council's data shows a high incidence of ASB compared with borough average and the rest of the private rented sector.

The licensing schemes are a dynamic approach to tackle identified ASB and will lead to a reduction in ASB.

5.4 Empty Property Strategy

The Council is committed to helping owners of empty property bring them back in to use.

A key aspect of this strategy is to work with owners of both short and long-term empty properties. In relation to short-term empties advice and support is given to encourage and help owners rent out the property. Property that has been empty longer term is sometimes more problematic because it could be an eye sore or attracting ASB. Owners are supported in considering all options to bring the property back into use and where this fails enforcement powers are used by the Council.

The proposed discretionary licensing schemes compliment and work alongside the empty property strategy in reducing ASB and improving housing conditions in the borough. For those empty properties where discretionary licensing will apply when the property is brought back into use it will provide a clear framework for landlords to follow to ensure those properties are effectively managed, provide good quality accommodation and not contribute to ASB in the borough.

6. HOW THE SCHEMES WILL OPERATE AND REQUIREMENTS

6.1 Conditions and Standards

The tests that will be applied and the evidence required when the council is considering whether to grant or refuse a licence and when assessing the suitability of a proposed licence holder is set out at [Appendix X](#).

Proposed conditions for the two schemes can be found at [Appendix VI](#). These conditions apply to both the selective and additional (HMO) schemes unless indicated otherwise in the document. The conditions are designed to ensure that licensed property is responsibly and effectively managed in the borough and will be applied to all discretionary licences issued by the Council.

In addition to these conditions, Bexley has property standards ([Appendix VII](#)).

Part I of these standards is provided to give more information and guidance as to how all rented properties within the London Borough of Bexley should be maintained and managed. The Council will have regard to this document when assessing compliance with licence conditions.

The Part II standards relating to space and amenity in HMO property apply to all HMO property and form part of the requirements for renting out HMO property in Bexley.

6.2 Fees

The cost of a selective and additional licence is set out below. The schemes are designed to be self-financing, not to make a profit, and fees have been set accordingly. For initial budget purposes it is assumed that licensing will be achieved at 85% of the predicted PRS in the areas proposed for selective licensing and at 80% of the predicted HMOs that will be subject to additional licensing.

It is anticipated that the bulk of applications will be received in the early years and the revenue stream is modelled on this basis. The fee structure is to be reviewed regularly (at least annually) to ensure accuracy in terms of costs and revenue generation.

Two-stage payment

It is proposed that the cost of the licence will comprise an initial fee of £265 for processing the licence application which is non-refundable.

[Appendix IX](#) provides a breakdown of the fee for each scheme.

Successful applications will attract a further fee payable before the grant of a licence, which covers a contribution towards the costs of operating the respective licensing schemes.

Following the designation of the schemes, the council must wait three months until the discretionary licensing schemes come into force. During this period the council will accept applications, and operate an early bird discount to encourage landlords to apply for licences. The early bird discount will continue for a further three months after the discretionary licensing schemes come into force.

Type of Licence	Selective	Additional
Proposed Fee	£690 (£265 + £425)	£265 plus £180 per letting
Proposed Early Bird Discount Fee	£371 (£265 + £106)	£265 plus £115 per letting

This means for a HMO let to 4 individuals the usual licence fee would be £985 for the duration of the licence (i.e. £265 + [4x£180]) and, for a successful early bird application, £725.

In relation to selective licences: properties that have been divided into self-contained flats and are in common ownership will be issued with one licence that will apply to all flats within the block. The licence fee for the application will be the number of flats multiplied by the selective licence fee. The council reserves the right to license each separately as part 3 houses should the need arise.

6.3 Accreditation

It is proposed that all Licence Holders and Managers (landlords) will be required to become accredited with Bexley Council's Rent it Right Scheme to ensure they understand and carry out their legal and moral obligations in managing property.

Landlords that are already Rent it Right accredited when they apply for a licence will be eligible for an additional discount of £50 for each property licence.

Please see [Appendix VIII](#) for full details on accreditation.

6.4 Selective Licensing Schemes

The Council is proposing to designate four cluster areas covering five postcodes as subject to selective licensing schemes for a five-year period. The schemes will cover the areas of the borough set out at [Appendix I](#).

The schemes are proposed to include approximately 2900 properties and will be used to improve the management and quality of those properties. This means that whilst the scheme is in force:

- Landlords who rent out property within the areas designated for selective licensing are required to obtain a licence from the Council for each of their properties (unless an exemption applies).
- Landlords and managers must be 'fit and proper' to hold a licence
- Landlords and managers must comply with the conditions attached to a licence.

6.5 Exemptions to Selective Licensing

Various dwelling and lettings will be excluded from the licensing requirements of Part 3 of the 2004 Act. For example:

Where the property requires an Additional or Mandatory (HMO) licence.

- Where the tenancies or licences are granted by registered social landlords and housing providers, including most housing associations and the Council. Also Tenancies or Licences granted by police, fire brigade or health service body
- Where the tenancies and licences are subject to a prohibition order whose operation has not been suspended. (s.20/s.21 Housing Act 2004)
- Commercial lettings
- Premises that are licensed for alcohol consumption (not off licences)
- Certain agricultural tenancies
- University/ college accommodation occupied by students and controlled by the university / college
- Where the owner or their relatives occupy a property on a long leasehold
- Holiday homes and lets
- Where a family member rents the property from you (evidence will need to be provided, for example birth certificates or an affidavit)
- Long lease tenancies, where a landlord grants a lease for a term of over 21 years to a tenant
- Properties leased to a local authority on a private sector lease and used as temporary accommodation.

6.6 Additional licensing Scheme

The Council is proposing to designate an additional HMO licensing scheme for a five-year period to cover the entire Borough.

The proposed scheme would apply to all HMOs in the Borough occupied by three or more people (except those already covered by the mandatory HMO licensing scheme), for example: shared accommodation, room rents, bedsits and buildings that are poorly converted into flats (please see additional details about section 257 HMOs below).

The scheme would cover approximately 1200 properties and will be used to improve the management and quality of those properties. This means that whilst the scheme is in force:

- Landlords who rent out property within the area designated for selective licensing will be required to obtain a licence from the Council for each of their properties (unless an exemption applies).
- Landlords and managers must be 'fit and proper' to hold a licence
- Landlords and managers must meet the conditions attached to a licence
- HMO landlords must provide proper and effective management and supervision of HMOs
- HMO landlords must provide proper tenancy agreements for their tenants
- A licence will specify the numbers of individuals and households that can be accommodated in the HMO

6.7 Section 257 HMOs

Section 257 HMOs are defined under the Housing Act 2004. Essentially they are:

- a building or a part of a building converted into self-contained flats;
- the standard of conversion does not comply with the appropriate building standards; and
- less than two thirds of the flats are owner occupied.

In simple terms this will be a building converted into self-contained flats, the conversion of which did not meet the standards of the 1991 Building Regulations; and more than one-third of the flats are let on short-term tenancies.

Bexley council proposes to license all HMOs, as defined by section 257 of the Housing Act 2004, but only where the number of dwellings exceeds the number of storeys in the building, and where the building or part of the building and all of the dwellings within it are either in the same ownership or considered by the housing authority to be effectively under the same control

6.8 Exemptions to additional licensing

Various HMOs are excluded from additional licensing requirements. For example, landlords do not need an additional licence if:

- The house is occupied by a single household.
- The property is an HMO that already requires a licence under the mandatory HMO licensing scheme;
- The property is subject to an Interim or Final Management Order under Part 4 of the Housing Act 2004 (i.e. the council have taken over the management of the property);
- The property is covered by a temporary exemption notice.
- The property is managed a local housing authority, registered social landlord, police or fire & rescue authority or a health service body;
- The property is already regulated under certain other statutory provisions ([Schedule 1 to SI 2006 Number 373](#))

- The property falls within an exemption applying to certain student halls of residence;
- The property is occupied principally for the purposes of a religious community whose principle occupation is prayer; contemplation, education or the relief of suffering;
- The property is owner occupied with no more than two lodgers; or the property is occupied by just two people who form two households.

6.9 All Discretionary Licensing Schemes

It is expected that responsible landlords will promptly apply for a licence and early bird discounts for licences are being proposed to support these landlords. Information on how the application process will work is at [Appendix X](#).

It is proposed that all property requiring a licence under the schemes would be subject to at least one inspection during the life of the scheme.

It is also assumed some landlords will choose not to apply for a licence.

The Council will proactively seek out landlords who fail to license property and will make full use of the range of available enforcement powers.

Failure to license a property is a criminal offence and the Council may take prosecution proceedings or impose a financial penalty of up to £30,000. On conviction, the Court may impose an unlimited fine.

If convicted of operating a property without a licence (or the council is satisfied that the offence has been committed even though the landlord has not been prosecuted), the council can reclaim any benefits paid when you were operating without a licence by applying for a Rent Repayment Order. Similarly, tenants (including former tenants) are also allowed to make an application for a Rent Repayment Order where landlords have been convicted of the offence or where a Rent Repayment Order has already been granted to the council on the same property.

In addition to failing to licence properties, under the Housing Act 2004, the following are offences and carry a fine of up to £5,000:

- Failure to comply with an Improvement Notice served sections 11 and 12 of the act.
- Failure to comply with a Prohibition Order made under section 20 and 21 of the act.
- Failure to comply with the Management of Houses in Multiple Occupation (England) Regulations 2006
- Failure to comply with licence conditions etc.

Failure to licence a property will also have implications on evicting tenants from the property because under section 75 of the Housing Act 2004, no section 21 notice served under the Housing Act 1988 may be given in relation to a shorthold tenancy for an unlicensed HMO.

Examples of recent prosecutions involving landlords who failed to license a property:

- *Barnet LBC v Uptown Properties (UK) Ltd and YLR Ltd* from Stratford, East London, in which the defendants were found guilty of failing to apply for a licence

for the house in multiple occupation (HMO) in Gainsborough Court. Fines totalled £6,490 fines, with £2,854 costs and £220 victim surcharge awarded.

- *Newham LBC v Judith Korkar Odompleh*, in which the defendant pleaded guilty to 14 offences under the Housing Act 2004 and Houses in Multiple Occupation Regulations 2006 at Thames Magistrates' Court and was ordered to pay fines totalling £39,240, as well as council costs of £256.41 and a victim surcharge of £120.
- *Barnet LBC v Sharon Jacobs* in which the defendant pleaded guilty for failing to licence and manage a house in multiple occupation (HMO). Sharon Jacobs was ordered to pay a fine of £15,000, plus costs of £3,456.52 and a victim surcharge of £170.

7.0 APPENDICES

<u>Appendix I</u>	Map of Proposed Areas and List of Properties within the Area for Selective Licensing
<u>Appendix II</u>	Evidence Base
<u>Appendix III</u>	Results of Initial Consultation
<u>Appendix IV</u>	Other Options Considered
<u>Appendix V</u>	Discretionary Licensing Options
<u>Appendix VI</u>	Proposed Conditions
<u>Appendix VII</u>	Property and HMO Standards
<u>Appendix VIII</u>	Accreditation
<u>Appendix IX</u>	Fee Structure
<u>Appendix X</u>	Application Process
<u>Appendix XI</u>	Equality Impact Assessment

Appendix I Licensing Area Maps

Licensing Areas

1. Thamesmead North
2. Abbey Wood/Lower Belvedere
3. Erith
4. Manor Road

**Appendix II Evidence Base
Licensing of Private Renting & HMOs**

Supporting Evidence for a Selective and Additional Licensing Scheme for Bexley

Introduction

The Council has used a range of data sources to develop an evidence base to establish an understanding of the trends and spatial distribution of HMOs across the borough and the wider relationship with the substantial growth in the Private Rented Sector. Sources of data include the Census (2001 and 2011), HMOs licensed under the Housing Act 2004, Council tax data, Housing Benefit Data, Police and Council ASB data, Environmental Health records, Planning Enforcement records and Waste and Recycling Data. This data clearly demonstrates general trends and patterns of distributions related to HMOs in the borough and the Council is content that the information offers a robust analysis which should influence decision making.

An assessment of the data shows the following:

- 43% of predicted HMOs have nuisance complaints.
- 17% of PRS properties (excluding known and predicted HMOs) have nuisance complaints. This shows that HMOs are more likely to give rise to nuisance than other PRS properties. Given the growth in the PRS as highlighted earlier, it is reasonable to deduce that ASB and nuisance will continue to rise as the growth in HMOs accelerates as a proportion of the expanding PRS in the borough.
- There are more ASB and nuisance incidences per property in the PRS than other tenures, with an average of 9% more ASB and nuisance in the PRS.
- The greatest number for HMOs in Bexley is in the postcode area of DA8.
- The highest level of ASB and nuisance incidents are in post code areas SE28 and DA8, with 34% and 24% of properties having problems compared to the borough average of 19%.
- 11% of non-PRS properties have nuisance complaints.

Borough Profile

According to Census data, in 2001 there were a total of 89,451 households in the borough, of which 5,194 households were in the PRS; PRS therefore represented 6% of all households in Bexley. The latest Census data (2011) shows there were a total of 92,604 households, of which 10,556 households were in the PRS; PRS therefore represents 11% of all households.

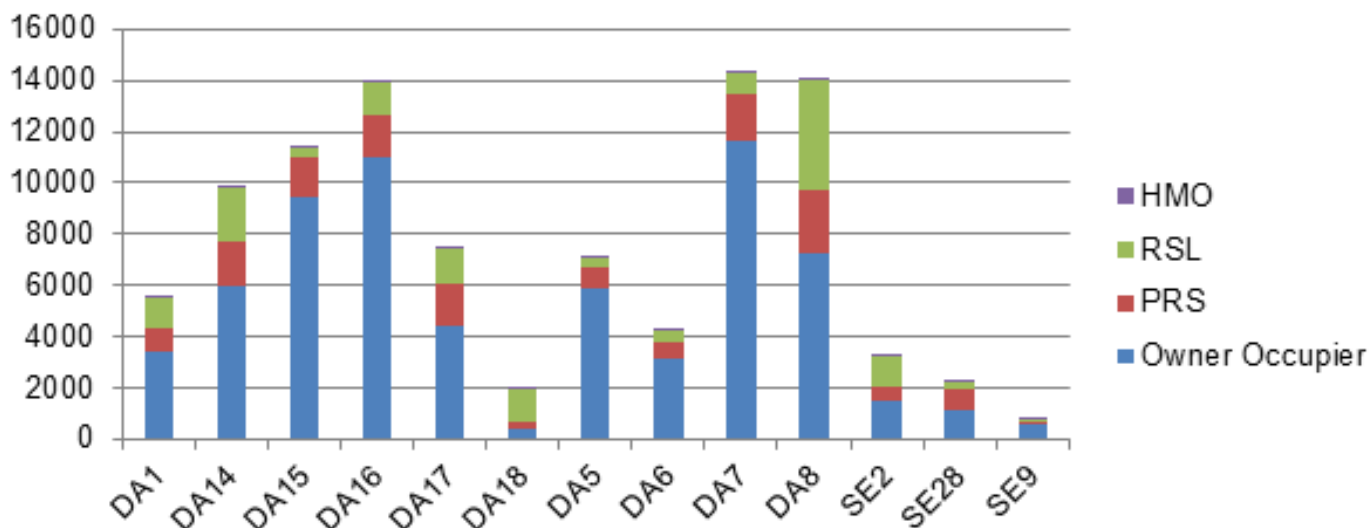
In the 10 year period between 2001 and 2011, there was a 103% increase in terms of the number of PRS households in the borough; this represents a significant increase in the PRS. The total stock of accommodation in Bexley had increased by 3.5% in the period 2001 – 2011 whereas the increase in privately rented accommodation across the total housing stock had increased by 103%. This reflects national trends with a move from owner occupation to private renting. Unless this trend of growth in private renting changes significantly, it is likely that HMO accommodation as a subset of the wider PRS will also continue to grow.

The 2011 Census is now approximately 5 years old and in order to obtain a clearer picture of the growth of the PRS up to 2016, the Council examined a number of data sources from the evidence base described above in order to estimate the latest figures for PRS in the borough. It is estimated that there were 96,280 total households in the borough in 2015, of which 15,335 were in the PRS.

This shows that since the last Census, there has been an estimated 45% increase in PRS households, compounding the previous substantial increases over a shorter 5 year timeframe.

The table below shows the breakdown of tenures for the post code areas of the borough.

Tenure Breakdown



Methodology

The evidence base (as previously described) was analysed in relation to known HMOs (as identified through those with a statutory licence and those known to the Council to be small HMOs - including those brought to the Council's attention through planning, housing and environmental complaints).

Data on the known small HMOs reveals a pattern with regards to a number of 'identifiers' that are prevalent in HMOs. These identifiers include:

- A forwarding address kept at Council Tax
- Duplicate records for accounts at Council Tax
- All student occupiers registered at Council Tax
- Complaints regarding housing conditions
- Complaints regarding nuisance to environmental health
- Complaints regarding ASB to the Police
- Requests for addition refuse/recycling bins
- Planning complaints (subdivision of property)

These identifiers were compared with the 14,955 properties in the borough estimated to be in the Private Rented Sector (PRS), excluding the known HMOs. The properties with a rating comprised of several of the factors were identified as being 'predicted' HMOs. It is important to note that properties identified as predicted HMOs have been done so based on Officer experiences of the types of complaints in relation to known HMOs. Therefore it is inevitable that predicted HMOs will by their nature have complaints associated with them, because that is how they have been identified in the first instance.

The output of this analysis a robust estimate that there are 1,025 predicted HMOs in the borough, in addition to the 380 known HMOs.

Analysis of Known HMOs

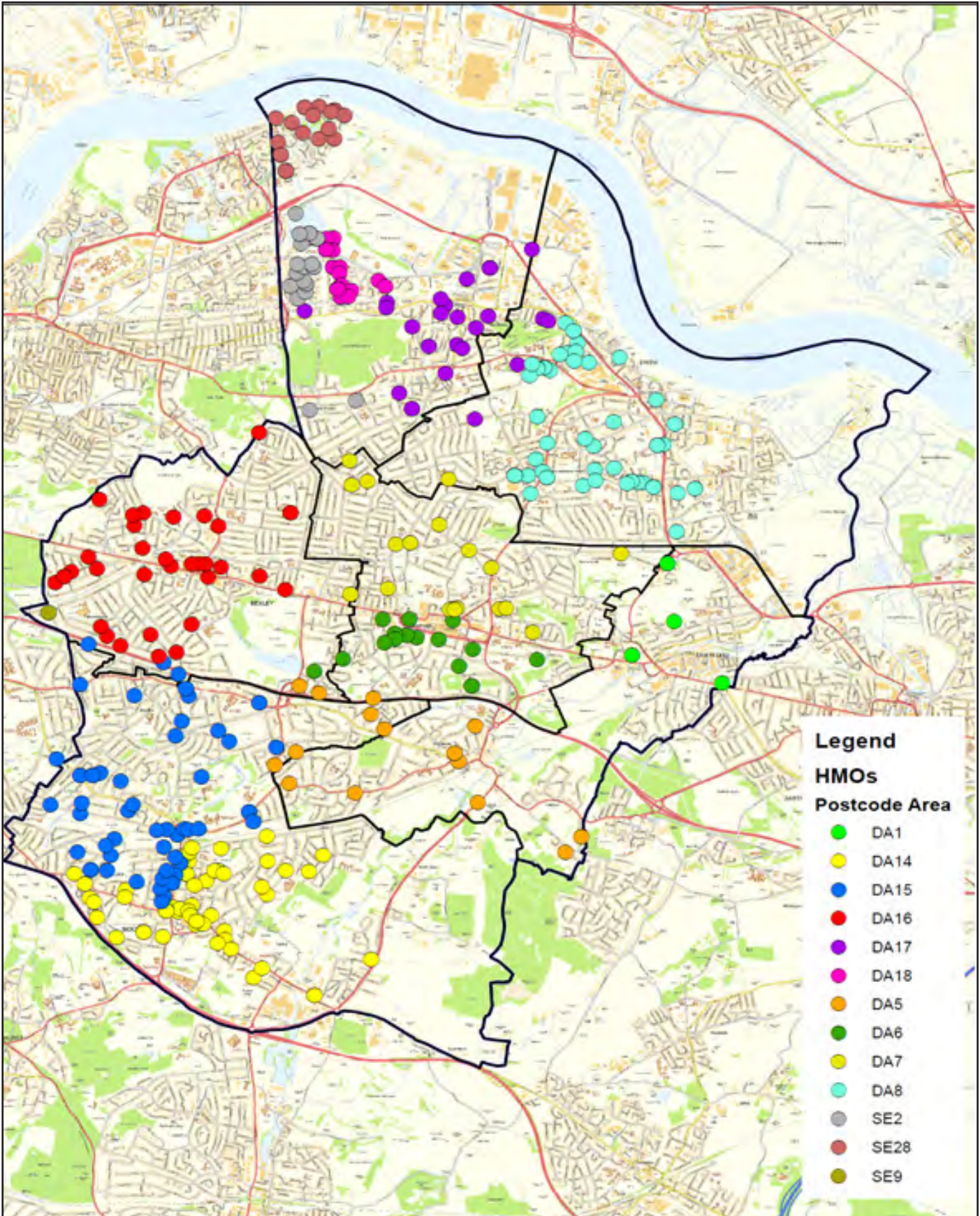
The number of known HMOs in the borough as of May 2016 is 380 (this includes the statutory licensed HMOs, Registered Provider HMOs and enforcement cases that have confirmed the presence of HMOs).

This shows that there is HMO coverage across all postcode areas in the borough, with particular concentrations around the areas of DA14, DA15, DA8 and DA16. Areas DA1 and SE9 show relatively low numbers of small HMOs. This provides a solid platform that establishes HMO presence in all parts of the borough; however, it is important to note that the reporting of known cases only represents a fraction of the overall number of estimated HMOs in the borough, as further analysis below demonstrates.

The distribution of these is shown on the table and map below:

Postcode Area	Number of HMOs
DA14	61
DA15	61
DA8	61
DA16	35
SE2	29
DA17	27
DA18	25
SE28	22
DA7	20
DA6	18
DA5	16
DA1	4
SE9	1
Total	380

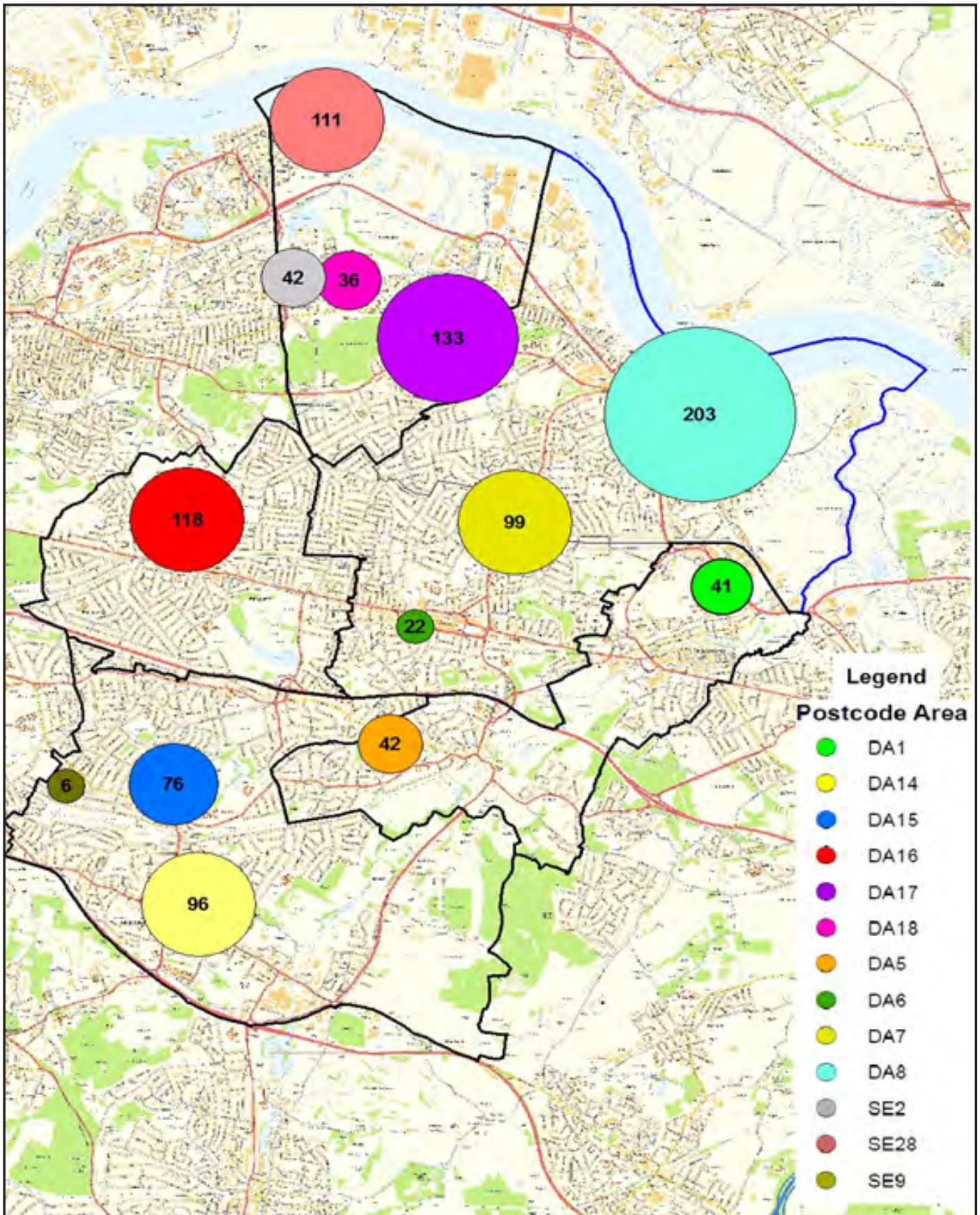
Table showing postcode areas and the number of known HMOs.



Analysis of Predicted/Likely HMOs

As set out in the methodology section above, work has been undertaken to estimate the likely number or 'predicted' number of small HMOs in the borough.

The data reveals that as well as the 380 known HMOs, there are another 1,025 predicted HMOs in the borough. The geographical distribution of these is set out in the map



The DA8 area has by far the most HMOs of any postcode area, with an estimated 203. Nevertheless, the table above and map below show there is a wide distribution of HMOs and this supports the case for a borough-wide intervention.

The growth in HMOs also presents significant concerns with regards to anti-social behaviour (ASB). Whilst there are substantial anecdotal accounts of ASB and crime issues associated with HMOs, it is necessary to quantify and substantiate these negative impacts through a robust evidence base to support the making of an additional licensing scheme.

The Relationship between HMOs and ASB, Environmental Health and Wider Complaints

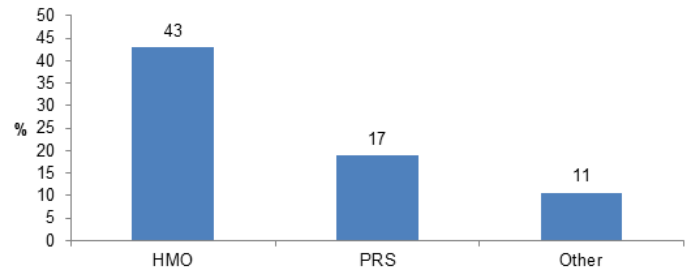
As set out in the methodology section above, work has been undertaken to understand the relationship between the negative impacts of HMOs as evidenced through their direct relationship with ASB and nuisance. Data on ASB, environmental health complaints, planning complaints and complaints about housing conditions has been analysed in relation to the addresses of known HMOs.

Definitions of the key terms are set out below:

- ASB is any behaviour that causes alarm, distress or harassment. This could include shouting, swearing, intimidating gangs hanging around, threatening behaviour.
- Environmental health complaints refer to complaints about properties, such as noise and rubbish or untidy sites.

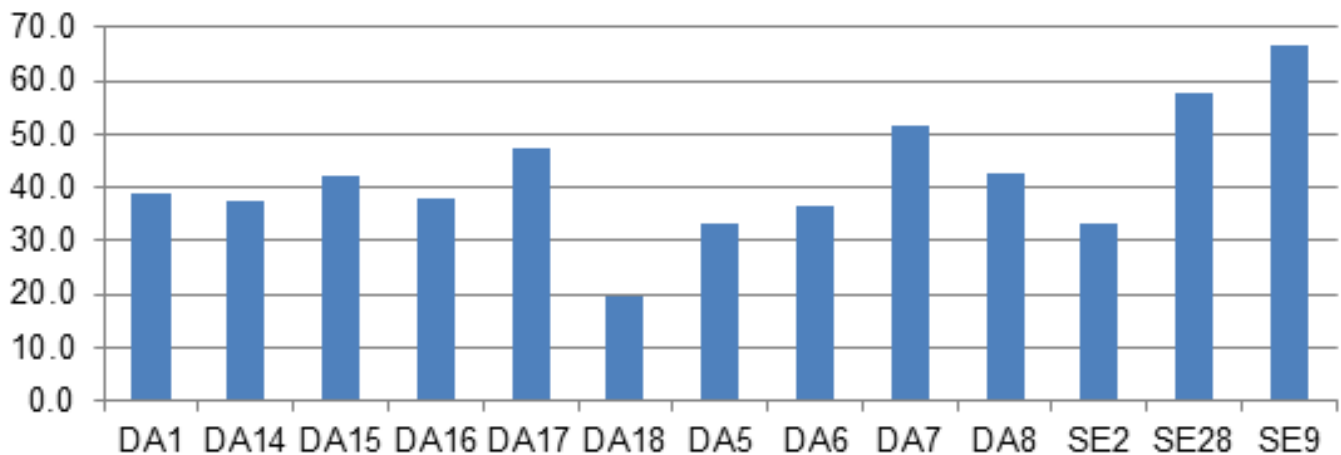
- Housing condition complaints refers to housing standards issues that could cause potential risks to health and safety, such as dampness and defective gas boilers.
- Planning complaints refer to complaints to the Council about the subdivision of properties.

ASB / Nuisance Complaints by Tenure



The table illustrates the percentage of properties with ASB and nuisance. The level for HMOs is compared to private renting and other tenures

HMO ASB / Nuisance Complaints as percentage



The table gives the distribution of these across the borough

The evidence shows a clear correlation between ASB/ nuisance and HMOs, with 43% of them having identified issues. HMOs are spread across the borough and whilst

the table above shows varying levels of problems throughout the post code areas they are all above 19%, which is the level for other private rented properties.

ASB and Nuisance in private renting

The analysis of the evidence base then went on to look to see if the issues of ASB and nuisance were linked to certain areas in the borough and in private rented properties other than HMOs.

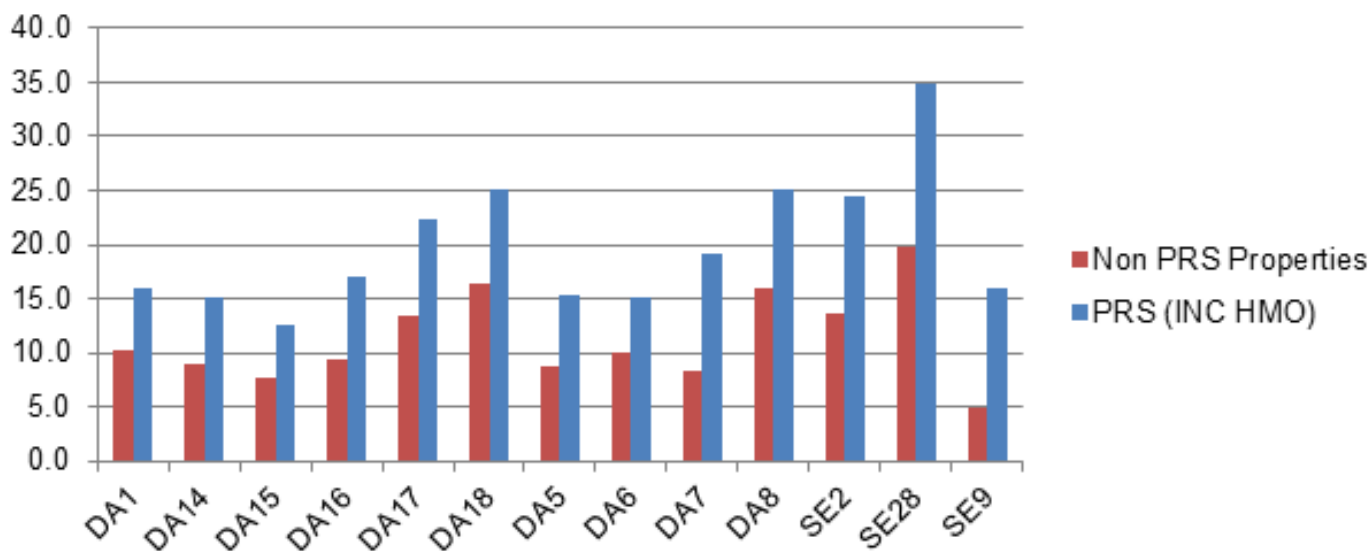
The data for all tenures were used to identify if ASB and nuisance was higher in private renting compared to the other tenures. This revealed that the overall borough picture showed that PRS had issues in 19% of properties compared to 11% in others.

These results were then broken down by post code area to see if problems were linked to certain areas.

The highest level of ASB and nuisance incidents are in the post code areas SE28 and DA8, with 34% and 24% of properties having problems compared to the borough average of 19%.

For this reason and the fact they are adjacent areas which make a sensible and clearly definable area, having a border with the river, they were identified as being suitable for selective licensing.

PRS and Other Tenures - ASB / Nuisance Complaints as percentage



The table looks at this distribution for PRS and other tenures

Conclusions

The data revealed the following:

- There is more ASB/nuisance incidence per property in the PRS than other tenures, with an average of 9% more ASB/nuisance in the PRS. Therefore, ASB and nuisance is more frequent within the PRS across the borough compared with other housing tenures.
- The greatest number of HMOs are in DA8, which has approximately 200.
- The highest levels of ASB/nuisance is in the post code area of SE28, with 34% of properties having problems compared to the borough average of 19%
- HMOs are generally spread across the borough and are more likely to give rise to anti-social behaviour and nuisance issues than the rest of the PRS – 43% of these HMOs have ASB and/or nuisance complaints compared with 19% of overall PRS properties.
- There are 380 known HMOs but there are likely to be approximately a total of 1405 HMOs across all postcodes in the borough.

The data supports the case for the following:

a. Selective Licensing

There is a case to selectively license all private rented properties within SE28 and DA8, in order to tackle this high level of ASB and nuisance.

Within these areas there are estimated to be 3000 properties, which represents 19% of total PRS in the borough.

In SE28 34% of the properties have issues with ASB/nuisance and in DA8 it is 24%, these are the two areas with the greatest number.

b. Additional Licensing

The analysis shows that HMOs are found in all postcodes in the borough – it is likely that at least 7% of all PRS properties in each postcode are HMOs. Therefore there is a case for additionally licensing all HMOs across the borough.

A full consultation will be carried out for at least 10 weeks with tenants, landlords, managing agents and other individuals or establishments in the designated area.

Appendix III Results of Initial Consultation

Summary of results

Question 1

Which of the following best describes you?

A resident	165
A Landlord of one or more properties in the London Borough of Bexley	87
An Agent for rented properties in the London Borough of Bexley	10

Question 2

Do you agree that licensing HMO's drives up standards and protects tenants and landlords?

	Yes	No	Unsure
All responses	145	65	26
Landlord responses	42	31	7
Resident responses	98	34	17
Agent responses	6	3	0

Question 3

Do you agree that the proposed licensing scheme will help areas suffering from anti-social behaviour?

	Yes	No	Unsure
All responses	114	88	35
Landlord responses	27	44	9
Resident responses	82	45	23
Agent responses	2	6	1

Question 4

Do you agree that the licensing scheme should specify how a landlord should deal with anti-social behaviour?

	Yes	No	Unsure
All responses	144	66	26
Landlord responses	33	36	11
Resident responses	105	30	14
Agent responses	2	5	2

Question 5**Do you agree with extending the current licensing scheme to cover all HMOs?**

	Yes	No	Unsure
All responses	144	65	28
Landlord responses	34	34	12
Resident responses	106	29	15
Agent responses	4	4	1

Question 6**Do you consider that HMO licensing should only apply to properties with four or more tenants who share a kitchen or bathroom?**

	Yes	No	Unsure
All responses	85	119	32
Landlord responses	40	34	6
Resident responses	46	80	23
Agent responses	2	6	1

Question 7**Do you agree that selective licensing can have a positive impact on privately rented housing in Bexley?**

	Yes	No	Unsure
All responses	114	67	32
Landlord responses	27	34	11
Resident responses	84	31	21
Agent responses	4	4	0

Question 8**Do you agree that selective licensing will ensure that all privately rented properties are well maintained and managed?**

	Yes	No	Unsure
All responses	100	78	36
Landlord responses	25	37	11
Resident responses	70	41	25
Agent responses	3	4	1

Question 9**Do you agree that selective licensing will help reduce anti-social behaviour?**

	Yes	No	Unsure
All responses	86	85	43
Landlord responses	17	46	10
Resident responses	62	41	33
Agent responses	2	6	0

Question 10

Do you support the introduction of selective licensing in the London Borough of Bexley?

	Yes	No	Unsure
All responses	111	77	21
Landlord responses	21	43	8
Resident responses	86	36	10
Agent responses	2	5	1

Question 11

Do you support the introduction of selective licensing where there is a high level of anti-social behaviour, within Erith (DA8) and Thamesmead (SE28) areas?

	Yes	No	Unsure
All responses	124	64	22
Landlord responses	27	38	8
Resident responses	93	29	11
Agent responses	3	3	2

Question 12

If you own a property which would require to be licensed do you think there should be additional benefits to the landlords of those properties?

	Yes	No	Unsure
All responses	94	60	39
Landlord responses	52	13	6
Resident responses	45	42	31
Agent responses	6	1	1

Question 13

Which of the following should be available as additional services?

	Yes	No	Unsure
Increase in general advice and support			
All responses	157	26	20
Landlord response	52	10	8
Resident responses	100	16	12
Agent responses	6	1	1

	Yes	No	Unsure
Dedicated staff to deal with anti-social behaviour			
All responses	169	19	16
Landlord response	60	6	5
Resident responses	106	12	10
Agent responses	7	1	0

	Yes	No	Unsure
Assistance with Housing Benefit enquiries			
All responses	126	45	28
Landlord response	47	11	11
Resident responses	81	33	12
Agent responses	6	2	0

	Yes	No	Unsure
Assistance with checking immigration status of tenants			
All responses	158	36	10
Landlord response	52	13	5
Resident responses	100	24	5
Agent responses	6	1	1

	Yes	No	Unsure
Free access to the borough's refuse and recycling centre			
All responses	138	40	22
Landlord response	51	9	9
Resident responses	84	32	11
Agent responses	7	1	0

	Yes	No	Unsure
Additional assistance for gas, electrical and EPC certificates			
All responses	117	60	23
Landlord response	43	20	6
Resident responses	71	39	15
Agent responses	6	1	1

Question 14

Do you agree that those not registering for the licensing scheme should be fined?

	Yes	No	Unsure
All responses	126	61	23
Landlord responses	26	35	11
Resident responses	96	26	11
Agent responses	2	4	2

Question 15

Do you think that the introduction of the licensing scheme for the private rented sector will have a positive impact on rented properties in Bexley?

	Yes	No	Unsure
All responses	102	76	31
Landlord responses	23	37	12
Resident responses	77	38	18
Agent responses	3	4	1

Question 16

The average selective licensing fee in London is currently around £500 per property for a period of 5 years. Do you consider a fee of this level to be reasonable?

	Yes	No	Unsure	If no, What level of fee do you think should be charged? Shown as average
All responses	61	26	24	£801
Landlord responses	10	9	4	
Resident responses	47	16	17	£1,437.50
Agent responses	3	1	0	

Question 17

What financial incentives would you like to see?

	Yes	No	Unsure
A discount if landlords are members of a relevant Landlord Association			
All responses	116	59	28
Landlord response	49	14	6
Resident responses	66	43	20
Agent responses	6	1	1

	Yes	No	Unsure
A discount if landlords rent out multiple properties within the London Borough of Bexley			
All responses	86	91	23
Landlord response	51	11	5
Resident responses	38	76	14
Agent responses	6	1	1

	Yes	No	Unsure
A discount for early submission of a full application			
All responses	107	72	26
Landlord response	51	12	6
Resident responses	53	60	18
Agent responses	6	1	1

Appendix IV Other Options Considered

Option	Positive Impact	Negative/No Impact
<p>1. Leave Regulatory Control as at Present</p>	<ul style="list-style-type: none"> • Tenant complaints addressed • Compliance in properties inspected • London Lockdown and HMO task force have improved sharing of intelligence and targeting poorest HMO property • Government is planning to extend mandatory HMO licensing which will increase the number of properties covered by the scheme and include some smaller HMOs • Article 4 Direction does offer a control for future HMO development 	<ul style="list-style-type: none"> • Mainly Reactive complaint led approach resources not targeted to worse areas • Task force can only allow targeting of a small number of properties • Most vulnerable tenants in the poorest property do not come forward. • Only improves individual properties • No date set for extension of mandatory HMO licensing change and it will not cover all HMO properties leaving many smaller HMO properties outside the scheme requirements in the same position as at present. • Article 4 Direction doesn't address the increasing ASB and complaints about poor housing condition associated with HMOs that are already operating in Bexley. • No additional management and control of the PRS.
<p>2. Voluntary Accreditation Scheme</p>	<ul style="list-style-type: none"> • Can operate alongside mandatory and discretionary licensing schemes • Can be used to direct tenants to better quality housing • Seen as a reward for good landlords 	<ul style="list-style-type: none"> • Optional landlords can choose not to become accredited • Poor take up • Only good landlords step forward. Voluntary schemes operating in isolation have been shown to have minimal impact in raising

		<p>standards amongst the worst letting agents and landlords.</p> <ul style="list-style-type: none"> • No sanctions for failing to accredit
<p>3. Targeted Use of Special Interim and Final Management Orders</p>	<ul style="list-style-type: none"> • Good measure for tackling serious problems in individual properties • Provides good management of the property for tenants • Sends a strong message to rogue landlords about the consequences of failing to manage property • Can be effectively used alongside other more strategic schemes 	<ul style="list-style-type: none"> • Restricted to dealing with serious hazards unless property is required to be licensed • Resource intensive need to go to first tier tribunal to enforce and then manage the property • Improves individual property only not strategic or area approach. • Minimal impact on PRS and HMO condition due to small number of properties improved • Disproportionate use for resources compared to improvements made
<p>4. Area based Action with no Discretionary Licensing</p>	<ul style="list-style-type: none"> • Strategic with resources targeted to worse areas • Proactive can plan enforcement and make best use of resources • Landlords in operating in the area more readily compliant • Significant positive improvements for residents and tenants in targeted area 	<ul style="list-style-type: none"> • No additional management and control of the PRS so limited enforcement options • Time intensive enforcement interventions only no simple solutions to non-compliance • Additional resources/funding needed • Takes resources from other areas • No improvement to PRS/HMO property outside targeted area

APPENDIX V – Discretionary Licensing Options

Option	Positive Impact	Negative/No Impact
<p>1. Borough Wide Additional Licensing Scheme for all HMOs not covered by mandatory licensing</p>	<ul style="list-style-type: none"> • Comprehensive strategic means to target and improve all HMOs in the borough • Avoids moving problems from one area to another • Level playing field for all HMO landlords in the borough • Provides additional controls to secure effective HMO management • Works with Article 4 Direction and mandatory HMO licensing to provide a comprehensive scheme to control HMOs borough wide • No date set for extension of mandatory HMO licensing change and it will not cover all HMO properties leaving many smaller HMO properties outside the scheme requirements. • Partnership enforcement approach with HMO task force initiative to target worse HMO property borough wide • Self-funding 	<ul style="list-style-type: none"> • High level of resources needed to license all HMO property • Government is planning to extend mandatory HMO licensing which will increase the number of properties covered by the mandatory scheme • Not targeted

<p>2. Additional Licensing Scheme in Designated Areas where HMOs are being poorly managed</p>	<ul style="list-style-type: none"> • Area based targeted approach to improve poorly managed HMOs in designated areas • Provides an effective means to target HMO enforcement resources • Provides additional controls to secure effective HMO management • Proactive can plan enforcement and make best use of resources • Self-funding 	<ul style="list-style-type: none"> • Will not improve management of all HMOs • Will not address borough wide ASB issues associated with HMOs • Problems with HMOs could from one area to another in the borough • Doesn't provide a level playing field for all HMO landlords in the borough • Government is planning to extend mandatory HMO licensing which will increase the number of properties covered by the mandatory scheme
<p>3. Borough wide Selective Licensing Scheme</p>	<ul style="list-style-type: none"> • Comprehensive strategic means to improve PRS borough wide • Avoids moving problems from one area to another • Level playing field for all landlords in the borough • Provides additional controls to secure effective property management borough wide • Self-funding 	<ul style="list-style-type: none"> • Not targeted to worse areas • Resources spent targeting areas where ASB is not above borough average • Significant level of resources to license all property within 5 years

<p>4. Selective Licensing Scheme in Four Areas based on high incidence of ASB and private renting</p>	<ul style="list-style-type: none"> • Strategic with resources targeted to worse areas • Big impact on achieving improvements in management and reduction of ASB due to tackling the worse areas • Proactive can plan enforcement and make best use of resources • Landlords in operating in the area more readily compliant • Significant positive improvements for residents and tenants in targeted area • Positive impact for communities in designated areas • Self-funding 	<ul style="list-style-type: none"> • Will not improve management of all PRS • Problems with PRS could from one area to another in the borough • Doesn't provide a level playing field for all PRS landlords in the borough • No improvement to PRS property outside targeted area
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Appendix VI RENT IT RIGHT

Licence Conditions – for all properties (except where indicated that they apply to HMOs only)

Licence holders and managers need to properly manage their tenants as well as the Property to promote safe, attractive and cohesive neighbourhoods. The Licence Holder must comply with the following conditions throughout the duration of the licence:

1. Property Standards

- 1.1. There must be a securely fixed notice in a prominent position within the property, containing the name, address and contact telephone number of the person responsible for managing the property. The notice must include an emergency contact number which is available for use outside normal office hours. The notice must be in clear legible lettering, regularly checked and maintained in good condition.
- 1.2. The property together with any associated external space and outbuildings must be inspected every six months and any necessary works must be carried out within a reasonable timescale, having due regard to the severity of each defect.
- 1.3. Tenants must be given clear instructions on how to report repairs and this must be a straight forward process for them to follow. Landlords must complete repairs within a reasonable timescale that is proportionate to the severity of the defect
- 1.4. Provide adequate receptacles for the storage and disposal of household waste. The facilities must be suitable for the number of persons or households permitted to occupy under the licence and will need to be stored in a suitable accessible place within the curtilage of the property.
- 1.5. At the start of any new tenancy the tenants are to be provided with information in writing on the correct rubbish bins that are to be used to dispose of rubbish and recycling and when the bins are collected by Bexley Council. NB to help landlords a template has been enclosed with the HMO Licence and can be found on www.bexley.gov.uk/rentitright
- 1.6. If gas is supplied to the property, a copy of the Gas Safe safety certificate must be submitted annually to Bexley Council when a new certificate is obtained or within 28 days upon request from the council. The gas safety certificate must relate to the whole gas installation and include all gas appliances. It must demonstrate that all appliances have been serviced and safety checked within the previous twelve months. Any defects noted on the certificate must be promptly rectified.
- 1.7. All furniture and furnishings provided in the house must be kept in a safe condition and must comply with the current furniture and furnishings fire safety regulations. A declaration of furniture safety must be provided to the Council on request. Any supplied furniture and furnishing should be maintained or replaced as far as it is the landlord's responsibility throughout the tenancy.
- 1.8. The electrical installation must be maintained in a safe condition and proper working order and be free of code one and two faults. A full electrical safety inspection must be carried out at least every five years and an Electrical Installation Condition Report obtained from a competent person. A visual check of the electrics and portable electrical appliances must be undertaken at the start of the tenancy. Any

necessary maintenance or repair works must be undertaken by a competent person. Guidance on what to find during the visual check can be found here - <http://homesafetyguidance.co.uk/downloads/visual-electrical-checklist-guide.pdf>

- 1.9. Install at least one working smoke alarm on every storey of the property on which there is a room used wholly or partly as living accommodation, and shall submit to the Council, upon request, a declaration by him as to the condition and positioning of such precautions.
- 1.10. Ensure that a carbon monoxide alarm is installed in any room in the house which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance. Keep any such alarm in proper working order; and supply to the authority, on demand, with a declaration by him as to the condition and positioning of any such alarm.
- 1.11. Any mains wired fire alarm system and emergency lighting are to be checked annually by a competent person and an inspection certificate obtained. Any documentation is to be submitted to Bexley Council within 14 days of a written request.
- 1.12. Provide a fire blanket to comply with BS EN 1869:1997, to the kitchen. The fire blanket must be wall mounted, sited in an easily accessible location, remote from the means of escape and not above, behind or adjacent to the hob.

2. Tenancy Management

- 2.1. Tenants or their associates who cause anti-social behaviour must be addressed and reported to the Council and any other relevant authorities such as the police at the earliest opportunity. The Council will support and help both landlord and tenant to try and resolve the issue.
- 2.2. The licence holder must demonstrate to the satisfaction of the Council that they have properly managed the property and have taken all reasonable steps when dealing with complaints of anti-social behaviour and/or harassment made against the occupants. Examples of action which may be taken by the licence holder include: issuing warnings, both verbal and written, or the taking of action to end the tenancy for breach of conditions, should sufficient evidence be available to do so.
- 2.3. A tenancy agreement or licence setting out in writing a statement of the terms and conditions of occupation must be provided to all tenants at the start of their tenancy. Tenants must have the opportunity to read and understand the tenancy agreement in advance of signing up.
- 2.4. A full inventory must be carried out at the start of each tenancy and a signed copy must be given to the tenants. The inventory must provide an accurate record of the property condition.
- 2.5. Full details of all tenants, their tenancy start date and a copy of their tenancy agreement must be provided to the Council within 14 days of receiving a written request to provide this information.
- 2.6. If a tenant loses their tenancy agreement another copy must be provided.
- 2.7. During the fixed term of the tenancy agreement there must not be any attempt to increase the rent or make extra charges other than what is allowed in the tenancy agreement. If the tenancy is or becomes periodic any rent increase must be made by following the relevant legal process.

- 2.8. Any deposit taken and held must be in accordance with legal requirements. Links to the relevant documents can be found at <https://www.gov.uk/tenancy-deposit-protection>

3. References

- 3.1. The licence holder is to obtain a reference for any new tenancy. References need to provide sufficient detail as to the tenants past record to show the tenant has not been responsible for anti-social behaviour and include the name and address of the person providing it. A copy of this should be kept for the duration of the tenancy and be available on the request of Bexley Council.
- 3.2. If tenants are unable to provide a reference for good reason for example because they were previously homeless, it is their first tenancy or the landlord is unwilling to provide one in this case the tenant should be asked to sign a declaration confirming they have been informed of and understand the need to comply with the tenancy agreement and not cause anti-social behaviour. A copy of this should be kept for the duration of the tenancy and be available on the request of Bexley Council. An example of a declaration produced by the council can be found on www.bexley.gov.uk/rentitright.

4. Licence Holders and Property Managers

Licence holders and all people involved in managing the property must:

- 4.1. Become an accredited Rent it Right landlord within 12 months of the licence being issued unless already accredited. The landlord must continue to be accredited for the duration of the licence.
- 4.2. Not allow the property to become over-crowded.
- 4.3. Notify the council if they become aware of any other person involved in the management of the property has received a conviction, caution, informal warning or reprimand in respect of any offence as detailed in the Licence application form and they must notify the Council in writing within 28 days of the information coming to their attention.
- 4.4. Notify the council if they become aware that there have been changes in the name, address, phone number or email address of the owner(s), licence holder, property manager, mortgage lender or anyone else with associated with operating the property and they must notify the Council in writing within 28 days of the information coming to their attention.
- 4.5. No changes should be made to the use, layout or any maximum occupancy level stated on the licence without the Council's prior written consent.

5. Additional (HMO) Licences only

- 5.1. The Council will ask for additional works that ensure that the property meets its HMO standards. If there are any missing certificates or reports the council will make it a requirement of the licence that these are provided within a specified time period of the licence being issued
- 5.2. The an maximum occupancy limit per room shall be as follows:

The Council will provide schedule that will form part of the licence for the property detailing how many people can occupy each room within the HMO with reference to its HMO standards. For example:

<i>Ground Floor Front Room</i>	<i>One household comprising one person</i>
<i>First Floor Front Room</i>	<i>One household comprising two people etc.</i>

Appendix VII Rent It Right Guidance

General Property Standards

These standards are provided to give more information and guidance as to how rented properties within the London Borough of Bexley should be maintained and managed. The Council will have regard to this document when assessing compliance with licence conditions.

Part 1 – All property

1. General

- 1.1. Gas and electric meters, fuse boards, gas and water stop taps should be accessible to all occupants at all times without having to pass through other accommodation or through commercial premises. Where this is not possible due to security problems, tenants must be able to shut off gas and electrics from within the accommodation.
- 1.2. Appliance operating instructions are required for all cookers, boilers, electric heating systems and fridges, freezers and washing machines supplied with a new tenancy and upon request.
- 1.3. The hot water system of the property must provide a constant controllable supply of hot water to each bath, sink, shower and wash hand basin. Cold water must be available to these facilities and to each water closet. Instructions on how to use the system must be provided to all tenants at the beginning of their tenancy including how to shut them off in an emergency.
- 1.4. Information on emergencies and contact numbers for gas leaks and repairs must be provided to all tenants in writing at the beginning of their tenancy.

2. Electrical Safety

A competent person is defined by the HSE as “a person trained and experienced so as to be able to properly examine, test and undertake any remedial action and to present the information in a report”. In this context the competent person shall be a suitably qualified electrical engineer, for example:

- A member of the Electrical Contractors Association (ECA).
- A member of the National Inspection Council for Electrical Installation Contracting (NICEIC).
- A member of the National Association of Professional Inspectors and Testers (NAPIT).

3. Fire Precautions

- 3.1. A record must be kept with full details of all faults, repairs, servicing, tests and alterations to both the fire alarm and emergency lighting systems, including details of who carried out the work. The log book must be made available for inspection by the Council, on request.
- 3.2. At the start of each tenancy, occupants must be given appropriate fire safety advice regarding the means of escape in case of fire and other fire precautions. In particular, the importance of keeping fire doors closed and keeping the escape route clear, plus how to use the fire alarm system, and fire blankets.

3.3. The means of escape should not take the occupants through a room containing kitchen facilities. Where this does happen, the licence holder should contact the council for advice.

3.4. There must be no polystyrene, such as ceiling or wall tiles in any common parts.

4. Repairs

- 4.1. Reasonable efforts must be made to agree times with tenants to carry out repairs.
- 4.2. Tenants should be told how long repairs are likely going to take and any disruption or inconvenience that may be caused.
- 4.3. Repairs should be completed in a considerate way that minimises disruption to tenants
- 4.4. All contractors and tradespersons must carry identification to show to tenants on request and can be checked. The tenants should also be notified who will be coming and when.
- 4.5. Repairs must be carried out by competent contractors with the necessary skills and qualifications to comply with the legal requirements relating to their trade. Any waste arising from work must be removed from the property and lawfully disposed of. It shall not be left for the tenants to manage.
- 4.6. Repairs and defects must be diagnosed and rectified in a reasonable time scale having regard to impact on tenants, the licensed property and neighbouring property and the extent of work.
- 4.7. Emergency Repairs should be carried out within 24 hours. These are defined as repairs endangering the safety, health or security of the residents or the structure of the building e.g. gas leaks, major electrical faults, blocked or a complete breakdown of the heating/ hot water systems.

This should include a response to burglary damage boarding/ repair of any insecure door or window within 12 hours.

5. Waste Management

- 5.1. Tenants must be provided with details of the closest civic amenity site so they can properly dispose of refuse that will not be collected by the Council.

6. Licence Holder Responsibilities

- 6.1. Where previous tenants have not surrendered keys, the licence holder will arrange for a lock change to be undertaken prior to new tenants moving in.
- 6.2. The decoration of the interior and exterior of the property must be kept clean and sound at the commencement of the tenancy, with appropriate cleanable paintwork to the walls of the bathrooms and kitchens.
- 6.3. Gardens and yards must be clean, tidy and secure, free from rubbish and safe at the commencement of the tenancy.
- 6.4. The property shall have no category one or significant category two hazards as assessed under the Housing Health and Safety Rating System. The landlord should pay attention to the following:
 - 6.4.1. Safety catches will reduce the likelihood of children being able to open a window unsupervised. Catches which restrict the distance a window can be opened to 100mm shall be fitted to windows above ground floor level to reduce the possibility of an accident involving a child. Any opening limiter shall be capable of being over-ridden by an adult in the event of fire.

- 6.4.2. Access steps, handrails, pathways, sheds, fences and gates must be maintained in good order.
- 6.4.3. Stair cases are to be well lit to allow their safe use. Light switches must be in a suitable location. Lighting to staircases and rooms entered by more than one door shall be two-way/three-way as appropriate.
- 6.4.4. All windows must be sound and well fitted, and opening lights must be able to be readily opened and securely closed. Windows must not be louver windows.
- 6.4.5. All windows with glass within 800mm if the floor will require safety glass to BS 6206 or the whole pane of glass coated with proprietary safety film.
- 6.4.6. There must be a mechanical extractor fan in each bathroom and also in any kitchen's with no openable windows. The unit must be capable of minimum extract capacity of 15 litres per second and extract direct to the external air or through ducting as necessary. It is recommended that fans operate with low noise levels and are controlled by a humidistat with a manual over-ride. In kitchens, a cooker hood that extracts to the outside will be sufficient.

7. Heating

- 7.1. Ensure that the property has a form of fixed space heating. Heating should be controllable by the tenants for example by incorporating a timer, suitably positioned room thermostat or TRVs. The heating should be capable of providing the following temperatures in each room:

Living rooms, dining room and bedroom	21°C
Bathroom	22°C
Elsewhere	18°C
- 7.2. The system shall be capable of maintaining the above temperatures when the external temperature is -1°C or less.
- 7.3. Portable electrical heaters are not acceptable, unless being used as temporary heaters in the case of a boiler breakdown.
- 7.4. Where storage heaters are provided there must be an off peak electrical meter at the commencement of any tenancy.

8. Kitchen and bathrooms

- 8.1. The walls, floors, ceilings, work tops and cupboards of the kitchen must be sound, clean and, as appropriate, well decorated at the commencement of any tenancy. The kitchen must be laid out in such an arrangement as to allow its safe use and be easy to keep clean and hygienic by the tenant.
- 8.2. Bathrooms and water closets (WC's) must have adequate space to ensure their safe use. Any alterations to the bathroom and water closet need to comply with Building Regulation standards.
- 8.3. A shower and or a bath, and wash hand basin are required each with a tiled, or equivalent, splash back area.
- 8.4. Bathrooms and kitchens require impervious flooring with laminate, vinyl or tiled floor coverings, the edges must be sealed to minimise water ingress.

9. Security

- 9.1. Where burglar alarms are provided, they must be fitted with an automatic cut out device that prevents the alarm for ringing for more than twenty minutes. Full operating instructions must be given and the contact details of the service engineers. The equipment must be serviced annually and if unreliable.

RENT IT RIGHT REQUIREMENTS

Part 2 – Additional Standards for HMO Property

10. Room sizes for sleeping and living accommodation in all HMOs

	Bedsit containing kitchen facilities	Bedsit where shared kitchen facilities are provided in a separate room	Rooms in shared houses and rooms where exclusive use kitchen facilities are in a separate room
Single Room	12m ²	9m ²	6.52m ²
Double Room	15m ²	12m ²	10.23m ²

A shared house is defined as per the LACORS Guidance on Fire Safety as

HMOs where the whole property has been rented out by an identifiable group of sharers such as students, work colleagues or friends as joint tenants.

Each occupant normally has their own bedroom but they share the kitchen, dining facilities, bathroom, WC, living room and all other parts of the house. All the tenants will have exclusive legal possession and control of all parts of the house, including all the bedrooms. There is normally a significant degree of social interaction between the occupants and they will, in the main, have rented out the house as one group.

There is a single joint tenancy agreement. In summary, the group will possess many of the characteristics of a single family household, although the property is still technically an HMO as the occupants are not all related.

- 10.1. No more than two people can share a room. Shared sleeping accommodation is only considered suitable for adults who are married, cohabitees, consenting friends or relatives.
- 10.2. No two persons over the age of twelve, of opposite sex, can sleep in the same room, unless they are married or cohabitees.
- 10.3. Floor to ceiling height to be a minimum of 2.14m (7ft) over 85% floor area. Any floor area where ceiling height is less than 1.53m (5ft) shall be disregarded. Where bunk beds are used, there shall be a minimum floor to ceiling height of 2.5m (8'2").

11. Kitchens in all HMOs

Unless kitchens contain a suitable dining area, they must be positioned within 1 floor of any bedroom or unit of accommodation and must be directly accessible from the communal areas. The kitchen size and layout must enable the occupants to safely use the kitchen and to store, prepare and cook food in a safe and hygienic way.

Kitchens must be of an adequate size and shape to enable safe use of food preparation by the number of occupiers and the following guidelines for shared kitchens apply:

Number of sharers	Room size
Up to 5	5.5m ²
6	6.5m ²
7	7.5m ²
8	8.5m ²
9	9.5m ²
10	10.5m ²

Where all or some of the lettings within the HMO do not contain cooking facilities, they must be provided for sharing with other households. There should be one full set of facilities per 5 persons, irrespective of age. Some flexibility may be considered in well-managed properties where there are 6 or 7 persons, subject to a risk assessment carried out by the Council.

Where there are 8 – 10 persons, either an additional full set of cooking facilities must be provided, or additional facilities must be provided in an appropriate number of individual lettings where the room is large enough.

A set of cooking facilities is comprised as follows:

Number of Occupiers	Facilities	Specifications
Up to 5	Cooker	Four-ring hob, oven and grill.
6 - 7		Additional four-ring hob, oven and grill in bedsit type HMOs and a combination microwave oven/grill is required in shared house HMOs.
Up to 5	Sink/drainer	1000 mm sink/drainer set on base unit, provided with a constant supply of hot and cold water and properly connected to the drainage system.
6 - 7		A double sink/drainer installed as above or A single sink/drainer plus a dishwasher.
Up to 5	Worktop	A securely fixed worktop of smooth impervious material, minimum size 1000mm X 600mm deep (excluding any area covered by a major appliance)
6 - 7		1000 mm x 600 mm provided and fitted as above, plus additional space for extra appliances.
All	Splashback	300 mm tiled splashback or its equivalent to be provided to the sink/drainer, worktop and any cooker without an integral splashback

All	Electrical Sockets	Two double electrical sockets are required, plus one additional socket for each major appliance (e.g. cooker, refrigerator, freezer, washing machine), for every five occupants (or part thereof) within the property. The two double electrical sockets must be positioned within the food preparation area, at worktop level and in a safe position.
Per Household	Food storage cupboard	A dry goods storage cupboard of minimum capacity 0.15m ³ (500 x 600 x 500mm), finished internally and externally with smooth impervious surfaces. The space in any cupboard below a sink will not be considered acceptable for this purpose. In relation to shared kitchens, the dry goods storage cupboard can either be positioned within the shared kitchen or a separate cupboard can be placed within each unit of accommodation
Up to 5	Refrigerator	Where provided in a shared kitchen, equivalent of 2 worktop height refrigerators both with freezer compartments, or 1 worktop height fridge and 1 worktop height freezer.
6 - 7		Where provided in a shared kitchen, the equivalent of an additional worktop height refrigerator with freezer compartment.

All kitchen areas must be provided with adequate lighting, particularly over the cooking and food preparation areas.

All facilities and equipment must be fit for the purpose.

12. Bathrooms in all HMOs

12.1. All facilities should be located in enclosed rooms of an adequate size and layout within 1 floor of any bedroom or unit of accommodation and directly accessible from the communal areas unless provided as en-suite facilities for the exclusive use of that occupant. Facilities should be inside the main building.

All bathroom and toilet facilities must be sited in a hygienically designed and constructed room which is provided with appropriate wall and floor surface finishes that are easily cleanable.

All bathrooms and toilets must be suitably heated, lighted and ventilated.

All baths, showers and wash hand basins must be fitted with taps and supplied with a cold and constant supply of hot water and properly connected to the mains drainage system.

All wash hand basins and baths must be provided with a two course tiled splashback and shower cubicles fully tiled or be complete self-standing cubicles.

All baths, toilets and wash hand basins must be fit for the purpose.

12.2. Where there are four or fewer occupants sharing bathroom and toilet facilities, there must be at least one fixed bath or shower, and a toilet (which may be situated in the bathroom). A wash hand basin shall be provided in each bathroom or compartment containing a toilet.

Appendix VIII Rent it Right Accreditation

All Licence Holders and Managers (landlords) must be accredited with Bexley Council's Rent it Right Scheme.

The landlord must have become accredited with one of the following organisations within 12 months of the issuing of the licence. The organisations are listed below:

- London Landlord Accreditation Scheme (LLAS)
- National Landlords Association (NLA)
- Residential Landlords Association (RLA)
- Association of Residential Letting Agents (ARLA)
- National Approved Lettings Scheme (NALS)
- Royal Institution of Chartered Surveyors (RICS)
- UK Association of Letting Agents (UKALA)

The landlord must continue to be accredited by doing 10 hours of training a year for the duration of the licence

The Council will run training courses with provided by some of the above organisations, that will be available for landlords to attend. We will provide details and dates of these courses with Licences and these dates will also be published on our website.

The Council will consider other accreditation schemes but they should have a robust code of practice in place which requires those being accredited to comply with certain requirements in relation to landlord services. These requirements must include:

1. Written rental agreement: this must always be provided and should include the rent terms, frequency of payment, and the period of tenancy or license.
2. Deposit: must be protected, the amount must be specified and a copy of how the deposit is protected must be provided to the tenant.
3. Contact details: providing the tenant with their contact details including their address and two contact telephone numbers (mobile and landline) and an email address. Landlords should endeavour to respond to tenant communication in a prompt manner.
4. Availability: landlords should always be contactable and must respond within a reasonable period of time. If unavailable, tenants should be informed and given alternative contact details.
5. Reasonable notice of access: except in case of an emergency, landlords should give the tenant at least 24 hours' notice, in writing and stating reasons, when access to the property is required by the landlord, contractor or agent.
6. Emergency repairs: these should be dealt with or made safe as soon as practically possible and normally on the same day that a landlord is notified. Emergency repairs are defined as any defect where there is a risk of danger to the health, safety and security of the tenant or a third party on the premises, or that affects the structure of the building adversely.
7. Urgent repairs: wherever possible these should be dealt with within three working days of a landlord being notified.

8. Property conditions: landlords must ensure that properties comply with legal requirements, including having no category 1 hazards or significant/multiple category 2 hazards. Where relevant, properties must also comply with licensing schemes and landlords will always comply with statutory notices served by a local authority.
9. Energy efficiency: landlords must work towards compliance with duties imposed upon them by the Energy Act 2011, especially related to requests for energy efficiency improvements by tenants and in relation to low ratings in energy performance.
10. End of tenancy: the deposit should be returned promptly and in full, minus verified costs that are chargeable to the tenant's deposit. Landlords should provide tenant references if requested.
11. Complaints: landlords must respond to tenant complaints promptly and accreditation schemes must have their own complaints process in place if complaints are escalated.
12. Dealing with tenants: landlords must always act in a fair, reasonable and professional manner in their dealings with tenants, and must not discriminate in their dealings with prospective and/or existing tenants or treat them less favourably than others because of their colour, creed, ethnic or national origin, disability, age, sex, marital status, sexuality, politics, or their responsibility for dependents.

Appendix IX Costing of Schemes

The total cost for discretionary licensing schemes:

Selective Licensing Scheme:

Costs

Staffing	£1,143,680
Consultation, Accreditation and ongoing publicity	£82,300
IT Set up/infrastructure and maintenance	£75,500
Total	£1,301,480

It has been calculated that approximately 50% of the total costs relate to processing applications

Total properties to be licensed	2,451
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Licence Fees

Application cost*	£265
Proposed enforcement fee	£425
Total licence fee	£690

For those applications received within the early bird period the enforcement fee charge will be reduced to £106.

Application cost*	£265
Proposed early bird enforcement fee	£106
Total Early Bird	£371

*It has been assumed 50% of selective licence applications will be received during the early bird period and that these applications will take up 20% of the council's enforcement resource

Additional Licensing Scheme:

Costs

Staffing	£706,100
Consultation, Accreditation costs and ongoing publicity	£33,000
IT Set up/infrastructure and maintenance	£32,000
Total	£771,100

It has been calculated that approximately 35% of the total costs relate to processing applications

Total properties to be licensed	960
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Licence Fees

Application cost*	£265
Proposed enforcement fee	£180 per letting**
Total licence fee	£265 + £180 per letting

For those applications received within the early bird period the enforcement fee charge will be reduced to £115 per letting.

Application cost*	£265
Proposed enforcement fee	£115 per letting
Total Early Bird	£265 + £115 per letting

* It has been assumed 40% of selective licence applications will be received during the early bird period and that these applications will take up 70% of the council's enforcement resource

Appendix X Application process for all schemes

The council will provide an online application process to enable landlords to complete their application, upload documents relevant to the application and pay the application fee. The council intends to produce a document to assist landlords completing the online application form. If landlords are unable to use the online application form, then advice and support will be given to help them complete the form.

Once the council has received a completed licence application form, it will carry out a test to decide whether the licence holder or the person managing the property is a fit and proper person. Section 66 of the Housing act 2004, sets out the evidence that the council must have regard to:

- Committed an offence involving fraud or other dishonesty, or violence or drugs or any offence listed in Schedule 3 to the Sexual Offences Act 2003
- Practised unlawful discrimination on grounds of sex, colour, race, ethnic or national origins, or in connection with the carrying on of a business
- Contravened any provision of the law relating to housing or landlord and tenant law

The council must also consider whether any person associated or previously associated with the licence holder has done any of the things listed above.

Note. The provisions are due to be amended under the Housing and Planning Act 2016 and the government has recently carried out a consultation to make it a requirement for anyone proposing to hold a licence or be nominated as a manager to submit a criminal record check as part of the licence application process. Landlords and managing agents who have a previous poor management record or have failed in the past to comply with the Council's requirements to manage their properties may not be able to hold a licence or may be given a shorter term licence and subjected to more frequent checks. In the event that the council grants a licence on shorter terms or refuses to grant a licence the decision may be appealed and details of how to appeal to the residential property tribunal will be provided.

In cases where the person is not considered fit and proper and the property is to continue to be rented, an alternative person will have to apply to be the licence holder, such as a suitable management agent. If a suitable licence holder cannot be found then under part 4 of the Housing Act 2004 the council has powers to take over the management of the property by making an interim management order.

Provided the above test is satisfied and the correct application fee has been paid the following process will be followed:

1. Selective Licence

A draft licence will be issued with the conditions listed in [Appendix VI](#). If there are any missing documents such as Gas Safety Certificates or Electrical Installation Condition Reports, a condition will be added giving the licence holder a short period of time to submit them to the council or it may be proposed that the licence may be granted for a limited period only until the relevant documents are submitted.

The draft licence and copies will be sent to all relevant persons. Under the Housing Act 2004, a relevant person is one of the following:

- A person having an estate or interest in the property
- A person managing or having control of the property

The relevant persons will be given a minimum of 14 days to make representations to the Council about the draft licence. If no representations are made then the Council will issue the full licence and copies will be sent to the relevant persons. If the council receives representation then they will be considered and the Council will either:

- Issue an amended licence and the relevant persons who will have a minimum of 14 days to make further representations. or
- Proceed to issue the full licence.

The licence will expire on the day the scheme ends, regardless of when it was granted.

Following the granting of a licence, the applicant or any relevant person may appeal the decision if they object to any of the terms of the licence. Details of how to appeal to the residential property tribunal will be provided.

2. Additional HMO Licence

The property will usually be inspected after the application form has been received and before a draft licence is issued.

If there are any missing documents such as Gas Safety Certificates or Electrical Installation Condition Reports, a condition will be added giving the licence holder a short period of time to submit them to the council or it may be proposed that the licence may be granted for a limited period only until the relevant documents are submitted.

If the property does not comply with the council's HMO standards additional conditions will be added to the licence requiring the landlord to carry out any works necessary to secure compliance.

The draft licence and copies will be sent to all relevant persons. Under the Housing Act 2004, a relevant person is one of the following:

- A person having an estate or interest in the property
- A person managing or having control of the property

The relevant persons will be given a minimum of 14 days to make representations to the Council about the draft licence. If no representations are made then the Council will issue the full licence and copies will be sent to the relevant persons. If the council receives representation then they will be considered and the Council will either:

- Issue an amended licence and the relevant persons who will have a minimum of 14 days to make further representations.
- Proceed to issue the full licence.

The licence will expire on the day the scheme ends, regardless of when it was granted.

Following the granting of a licence, the applicant or any relevant person may appeal the decision if they object to any of the terms of the licence. Details of how to appeal to the residential property tribunal will be provided.

3. Licence Variations

Following the granting of the licence, the Council can vary the licence either by agreement with the licence holder or if it considers that there has been a change in circumstances since the time the licence was granted. The Council must notify all relevant persons and then consider any representations it receives. Following the variation of the licence, the decision can be appealed by a relevant person. Details of how to appeal the variation to the residential property tribunal will be provided.

Appendix XI Equality Impact Assessment – Proposed selective and Additional Selective Licensing Schemes

This EIA pro-forma has been designed to help you ensure that you are adequately meeting the requirements of the general Public Sector Equality Duty (PSED) when designing/changing/introducing services. Please use the Conducting Equality Analysis/EIA guidance note in conjunction with this form. The form will act as written and dated evidence that equality analysis was conducted prior to policy changes being implemented and that 'due regard' has been given to all three aims of the general equality duty with respect to all 9 protected characteristics. The completed form will be published on the Council's website in line with best practice.

For ease the term 'policy' is used as shorthand to refer the full range of services and functions that the PSED applies to i.e. policies/functions/services/projects/procurement etc

Part 1 – Describe the policy and it's relevance to equality

Name of policy	Rent it Right - Proposed Selective & Additional Licensing schemes for Bexley
Trigger for EIA (delete as appropriate)	New policy
<p>Briefly describe the policy including:</p> <ul style="list-style-type: none"> • its purpose and aims • main stakeholders (i.e. beneficiaries, service users, staff) • if it is likely changes proposed may lead to organisational restructures <p>(If the policy requires changes to staffing structures a separate staff impact needs assessment will need to be undertaken)</p>	<p>The London Borough of Bexley is proposing to introduce the following discretionary property licensing schemes in its borough:</p> <p>A Borough wide Additional Licensing Scheme for certain Houses in Multiple Occupation (HMOs)</p> <p>Selective Licensing Schemes applying to four defined areas in the North of the Borough. These are</p> <ol style="list-style-type: none"> 1. Thamesmead North 2. Abbey Wood/Lower Belvedere 3. Erith 4. Manor Road <p>The designation of the areas identified as subject to additional and selective licensing schemes will:</p> <ul style="list-style-type: none"> • Improve control over the use and management of privately rented housing in the areas identified as the most problematic in Bexley • Provide a means to improve the condition and management of rented properties in areas with the highest levels of ASB and highest proportion of private rented properties in Bexley • Provide a means to target and improve poorly managed property • Reduce the significant impact that HMO properties have on ASB throughout the borough <p>In addition to these benefits the introduction of these schemes and the conditions that landlords are required to comply with, will improve other important aspects of private renting in Bexley that will:</p> <ul style="list-style-type: none"> • Improve the living conditions for all tenants including the most vulnerable who do not come forward to make complaints

	<ul style="list-style-type: none"> • Improve the Council’s relationships with landlords • Provide more help, support and education for landlords • Encourage landlords to provide better quality accommodation • Encourage and require landlords to be better informed about their legal duties and responsibilities towards their property and tenants • Encourage and support more landlords to become and remain accredited which will improve property standards and management • Better inform tenants about their rights and responsibilities • Reduce ASB and promote safe attractive neighbourhoods • Crack down on rogue landlords • Raise the profile of private renting in Bexley to make it more attractive and accessible to everyone • Improve data on the private rented sector in Bexley to enable the Council to be better informed and proactive in its decision making and in designing and promoting initiatives to support landlords and tenants. <p>The introduction of the licensing scheme will support the Council in meeting the aims of the Homelessness Strategy and supports the Council’s Corporate Plan priority of ‘Living Well’ and having a place to live which specifically refers to the need for well managed and well run private rented sector properties providing good quality and affordable accommodation and enabling residents to live safely and comfortably within their homes.</p> <p>The Council’s proposal to introduce selective and additional licensing schemes in its borough links into and directly supports a stated aim of the Bexley Community Safety Partnership Strategy to reduce crime and disorder including anti-social behaviour.</p>
Equality Relevance (delete as appropriate)	Highly relevant to equalities
Has the function been previously EIAed? If so when and attach the publication link	No as this is a new proposal
Summarise actions from previous EIA and provide an update on their delivery	N/A

Part 2 – Evidence collection – what do you know?

<p>Please describe the evidence you will use to make your judgement. What existing data for example (qualitative or quantitative) have you used to form your judgement? (Any evidence that is aggregated by protected characteristic to be noted below)</p>	<p>The Council has used a range of data sources to develop an evidence base to establish an understanding of the trends and spatial distribution of the private rented sector (PRS) and HMOs across the borough. Sources of data include the Census (2001 and 2011), HMOs licensed under the Housing Act 2004, Council tax data, Housing Benefit Data, Police and Council ASB data, Environmental Health records, Planning Enforcement records and Waste and Recycling Data. The data clearly demonstrates general trends and patterns of distributions related to the PRS HMOs in the borough and offers a robust analysis.</p> <p>In the 10 year period between 2001 and 2011, there was a 103% increase in terms of the number of PRS households in the borough; this represents a significant increase in the PRS. The total stock of accommodation in Bexley had increased by 3.5% in the period 2001 – 2011 whereas the increase in privately rented accommodation across the total housing stock had increased by 103%. This reflects national trends with a move from owner occupation to private renting. HMO accommodation as a subset of the wider PRS will also continue to grow.</p> <p>The 2011 Census is now approximately 5 years old and in order to obtain a clearer picture of the growth of the PRS up to 2016, the Council examined a number of data sources from the evidence base described above in order to estimate the latest figures for PRS in the borough. It is estimated that there were 96,280 total households in the borough in 2015, of which 15,335 were in the PRS.</p> <p>This shows that since the last Census, there has been an estimated 45% increase in PRS households, compounding the previous substantial increases over a shorter 5 year timeframe.</p> <p>The initial data gathering exercise demonstrated a very strong correlation between HMO property and ASB/nuisance with 43% of HMO property having identified issues relating to planning, ASB, housing condition and/or environmental health which are significantly higher than the PRS average of 19%.</p> <p>The number of HMOs reported to the Council is now 640 showing an increase of 260, which equates to a percentage increase of 68%. The majority of these new HMO properties have been identified as a result of complaints made by neighbouring residents and complaints about conditions made by people living at the property. This demonstrates poor management of HMO property.</p> <p>In relation to selective licensing the Councils data confirms the four areas identified each satisfy the condition of there being a significant and persistent problem caused by ASB. This is evidenced by the levels of ASB in each being substantially higher than the borough average of 19.2%. In these areas a significant proportion of landlords are failing to effectively manage their properties so as to combat incidences of ASB which is evidenced by the high levels of ASB associated with the private rented sector in the four</p>
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areas.

The impact of the proposed licensing schemes will be mainly felt by landlords of HMO's and PRS properties in the borough however very little data is available on landlords who own PRS properties in the borough and it is difficult to know who the landlords are. Through the implementation of the licensing schemes we should be able to gain a much better understanding of the profile of landlords in the borough in future.

New national research based on the largest survey to date of UK landlords, undertaken for the Council of Mortgage Lenders shows that around half of all landlords have no mortgage debt at all. Some 62% of landlords own only a single rented property and just like home-owners, landlords as a group are an ageing cohort. Back in 2004, only 24% of landlords were aged 55 or over, compared with 61% today.

In terms of a profile, the typical landlord owns property close to their home and is just as likely to manage their property themselves as to use a managing agent. Two thirds of landlords in the survey gain less than 25% of their household income from rent and around 1 in 20 said they made a profitable full-time living from being a landlord.

Protected Characteristic	Evidence
Age	Census data indicates that the majority (35%) of PRS properties are rented by people aged 35 – 49, followed by 31% for 25 – 34 year olds, 13% for 50 – 64 year olds, 11% for those aged 24 and under, 4% for 65 – 74 year olds, 3% for 75 – 84 year olds and 2% for those aged over 85.
Disability	Housing tenure by long-term health problem or disability shows that households with a disability or health problem that limits their activities are more likely to be owner occupiers or living in social rented accommodation rather than renting from a private landlord.
Sex	Census data for PRS properties in London for the household reference person shows that 64% are male and 36% are female.
Gender reassignment	There is currently no available data on tenure by gender reassignment.
Pregnancy & Maternity	There is currently no available data on tenure by pregnancy or maternity however the Census indicates that of the PRS households approximately 45% have dependent children living there.
Race	The PRS is made up of all ethnic groups however some areas are identified as having higher numbers of some ethnic groups. Evidence from the Census 2011 shows that the household reference person for PRS properties is White British in 77% of properties and of other ethnicities in 33% of properties. In the selected LSOA areas for the selective licensing scheme 57% of the household reference people in PRS were White British and 43% were of other ethnicities. This is not surprising as the north of the borough, where these LSOA areas are located has always had a higher proportion of the ethnic minority population residing there than elsewhere in the borough.
Religion & Belief	There is currently no available data on tenure by religion and belief.
Civil Partnerships & Marriage	There is currently no available data on tenure by civil partnership and marriage.
Sexual Orientation	There is currently no available data on tenure by sexual orientation.

Part 3 (optional) – Consultation and engagement – what do those affected think?

Please note that there is no explicit legal requirement under the General Equality Duty to engage with people who share protected characteristics. The General Duty only requires public authorities to have an adequate evidence base for their decision-making and engagement is can assist in developing that evidence base. If you are highly relevant to equality then it is likely you will want to engage interested parties if you are proposing changes to an existing service. See EIA Guidance for more info.

Have you held any consultation/engagement with service users/interested parties likely to be affected by the policy?	<p>An initial consultation exercise has already been undertaken from 24 October 2016 to 24 January 2017 and the following groups were consulted:</p> <ul style="list-style-type: none"> • The Chief Executives of all London Boroughs and the surrounding Boroughs. • All the current mandatory HMO licence holders • The council has a community contact list and organisations in the Borough. • Landlords and agents that are on the Council's leasing scheme and the management and estate agents in the
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	<p>Borough.</p> <ul style="list-style-type: none"> • Landlords of the known HMOs. • Posters to be put up in the libraries and council buildings throughout the Borough. • Banner on the front page of the website. • Advertised in the Bexley Bulletin and Bexley Magazine • Advertised on London Property Licensing website <p>A more extensive consultation is now planned to commence from 20th November 2017 to 31st January 2018 and it is intended the methods of consultation/consultees will include:</p> <ul style="list-style-type: none"> • Chief Executives of all London Boroughs and the surrounding Boroughs. • current mandatory HMO licence holders in Bexley • Landlords who have properties licensed in neighbouring boroughs • Organisations on the community contact list. • All landlords and agents that are on the Council's leasing scheme and the management and estate agents in the Borough. • Landlords of known HMOs. • Adverts in the News Shopper and on JC Decaux boards that are spread throughout the Borough. • Leaflets to be delivered to all properties/businesses in the selective licensed areas. • Posters in libraries, council buildings, colleges and community spaces throughout the Borough. • Advertised in the Bexley Bulletin and Bexley Magazine • Advertised on London Property Licensing website • Social media – Facebook, and Twitter • London Borough of Bexley landlord enewsletter • College student newsletters where possible • Housing Association newsletters
<p>Have your client group/service users/interested parties been involved in drawing up the policy?</p>	<p>Property licensing forums to be held on the 11th and 17th January 2018.</p> <p>Smaller focus groups will be held at locations in the selective licensing areas.</p>
<p>How have you attempted to include traditionally hard to reach/hear groups? E.g. those with learning disabilities/Bengali women/Gypsy & Traveller communities etc.</p>	<p>No as this is not considered relevant.</p>

Part 4 - What is your judgement? – analyse your evidence and describe the impact

(a) Aim 1 of the PSED – the duty to eliminate discrimination

Characteristic	Actual or likely impacts (negative/positive/no impact) and justification	Actions to be taken to mitigate potential negative impacts (include name of lead and estimated date of completion)
Age	The licensing schemes will have a positive impact on all age groups as it will improve the management and conditions of PRS properties and aim to reduce anti-social behaviour in PRS properties.	
Disability	PRS properties that are poor quality can have an adverse effect on health and medical conditions however the licensing schemes will clearly set out what is expected with regards to the conditions and standards of properties and therefore have a positive impact.	The proposed administrative process involves completion of an online application which we understand may disadvantage certain groups with protected characteristics. The Council will therefore provide any necessary support or advice to enable completion of the form for those groups to ensure they are not disadvantaged.
Sex	The licensing schemes will have a positive impact on all residents as it will improve the management and conditions of PRS properties and aim to reduce anti-social behaviour in PRS properties.	
Gender reassignment	It is difficult to assess the impact here as there are no available statistics.	
Pregnancy & Maternity	It is difficult to assess the impact here as there are no available statistics.	
Race	The licensing schemes will have a positive impact on the selected areas particularly in the north of the borough where there is a higher ethnic minority population. The scheme will improve the management and conditions of PRS properties and aim to reduce anti-social behaviour and improve management in PRS properties.	
Religion & Belief	It is difficult to assess the impact here as there are no available statistics.	
Civil Partnerships & Marriage ¹	It is difficult to assess the impact here as there are no available statistics.	
Sexual Orientation	It is difficult to assess the impact here as there are no available statistics.	

(b) Aims 2 and 3 of the PSED – the duty to advance equality of opportunity & foster good relations

Protected Characteristic	How can this policy be designed to advance equality of opportunity	How can this policy be designed to foster good relations between groups
Age		It is hoped that the implementation

¹ Only applies to aim one of the PSED

Disability		of additional and selective licensing schemes in the borough will foster good relations between landlords and tenants regardless of their characteristics as property standards and management should improve.
Sex		
Gender reassignment		
Pregnancy & Maternity		
Race		
Religion & Belief		
Sexual Orientation		

Part 5 – Completion and authorisation

Directorate & Service	Places, Communities & Infrastructure (Housing Services)
Date EIA completed	6 November 2017
Name and Job Title of Officer completing EIA	Nicola Couchman Welfare Reform & Housing Projects Officer
Describe how you will monitor impact of your policy	The proposed licensing scheme will be monitored as part of an evaluation process which will include monitoring any impact on equalities that it may have for both tenants and landlords. It is anticipated that the requirement of licensing for landlords should enable us to gain a much better understanding of who the landlords that own properties in the borough are and therefore enable us to better assess any impact of any policy changes or schemes in the future.
Officer responsible for monitoring impact	Kevin Murphy, Head of Housing Services
Date EIA is scheduled to be reviewed	November 2020 (3 years)
DD responsible for policy	Signature Date