

Update on Property Licensing and Private Housing projects

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Three property licensing schemes

All borough:

- **Mandatory HMOs 5 people in or more households –**

All borough except for Royal Docks & Stratford Olympic Park:

- **Additional HMOs –3-4 people forming more than 2 households-**
- **Selective Licence-single family or upto 2 sharers**
- **Bring Nightly let Temp accommodation under licensing with (discounted fee rate to apply whilst linked)**

Type of licensing in LBN	Mandatory HMO licensing	Additional HMO licensing	Selective licensing
Type of property	HMOs with 5 or more individuals	HMOs larger than 2 people	All PRS properties not covered by other schemes-single family/2 sharers
Who approves the decision?	N/A – it's mandatory for all local authorities	The local authority – provided it meets the criteria every 5 years	The Secretary of State – the local authority must submit an application- every 5 years
Consultation required?	No	Yes	Yes
What criteria must be met?	Government requirement	A large PRS, high levels of antisocial behaviour, which is shown to be linked to the PRS	A large PRS, high levels of antisocial behaviour linked to the PRS, poor property conditions, deprivation, high levels of inward migration
When does new scheme start ? Approx No. of licensed properties	Mandatory scheme does not expire 1.5K	1st January 2023 1.7K	1st June 2023 Early bird discounts until 14th July 2023 37 K
When does the <u>new</u> scheme start and area covered and fee range?	Covers the whole borough – ongoing £1050 -£1500 (5-9 sharers)	1st Jan 2023: The whole borough except Stratford Olympic Park (E20) and Royal Victoria £800 (with max discounts).Upto £1250 for standard fee-no discounts	1st June 2023: The whole borough except Stratford Olympic Park (E20) and Royal Victoria £300 (with maximum discounts) and upto £750 for standard fee with no discounts)
When were the new schemes approved?	Ongoing since 2006	Cabinet approval on 22nd June 2022	Cabinet approval on 22nd June 2022 Confirmed by DLUC on 7th Dec 2022

Selective licensing scheme applications

Go to:

<https://www.newham.gov.uk/housing-homes-homelessness/rented-property-licensing>

PRS rented to a single family/upto 2 sharers

14th July 2023 deadline for discounts

My Newham account- password re-set

ENFORCING LAWS AROUND PROPERTY CONDITIONS



- In response to a direct complaint or referral we can undertake an inspection of a property and assessing the conditions using the **Housing Health & Safety Rating System (HHSRS)**.
- HHSRS assesses if the poor conditions lead to 1 of 29 possible hazards. They are determined as either serious Category 1 hazards or lower scoring Category 2 hazards. **Damp and mould and excess cold are all conditions that are covered by the HHSRS.**
- We can then serve a legal document, called an Improvement Notice, on the landlord to make repairs. In more serious cases we can prohibit the use of a property.
- Where a landlord fails to make improvements or improve poor management then the council can issue a **financial penalty notice (FPN) of up to £30,000** or take the landlord to court and prosecute them
- We sometimes use other legislation like environmental health laws or enforcing **minimum energy efficiency standards** (EPC ratings)

Property Licensing Compliance inspections in Newham

- **42k** live licences issued in 2018-2023 scheme
- **208k** landlord/tenant enquiries by phone & email
- **Previous scheme : 19k** properties inspected/**13.5k** properties audited (**70%**)
- Target to inspect or audit all properties in new scheme
- **2.4k** formal notices served, **351** FPNs on I/Is- **32** prosecutions
- **750 proactive compliance** and **150 reactive enforcement visits on average** to homes each month

Recent Initiatives:

- ❑ Tenancy/landlord liaison service to avoid evictions & disputes
- ❑ Proactive pest control inspections
- ❑ Support ASB resources –out of hours response to anti social tenants
- ❑ Tackle cold homes susceptible to damp and mould

General Overview

- Our 3rd wide scale licensing schemes are now operative.
- We know that there are good landlords in Newham who comply with housing regulations. However there are still rogue landlords and agents that allow tenants to live in unsafe properties with poor tenancy management.
- The Cost of Living crisis and fallout of the pandemic has left households (and landlords) in a more precarious position than in years previous.
- This presentation will highlight the action we are taking.

2023 enforcement changes

- We continue to work to build a more level playing field for Newham landlords, by strongly enforcing against rogue landlords;
- We continue to serve Financial Penalty Notices for breach of legal notices, HMO management regulation breaches and others (failure to licence is not yet being actively enforced as the scheme has only just commenced, will likely start enforcing in Autumn);
- A 20% discount for early payment of FPN will be introduced;
- Prosecutions will be more common for more severe offences.

2023 enforcement changes cont.

- We have taken action on poor EPC rated properties (F & G rated), which cannot be let out without a bona fide exemption under MEES Regulations;
- We want to further drive up energy efficiency standards in prs by specifying higher levels of improvement works where an Excess Cold hazard is identified;
- MEES updates coming in a few years will further restrict what EPC ratings are available for renting out. A widely reported proposal is that a minimum EPC rating of C will be required.

Develop use of RROs

- A recent Supreme Court ruling limits RROs to the immediate I/I only;
- We will continue to refer tenants to partner organisations that can help them apply for RROs as well as applying for RROs where HB has been paid during the offence period;
- Can also use RROs for illegal eviction and serious harassment. Prosecutions for these offences are v. time consuming so we hope this can act as a deterrent;
- We will also use PACE interviews and Simple Cautions in appropriate cases.

PSHS compliance inspections

- Compliance team proactively visit hundreds of licensed properties every month, between 600-1000 visits;
- Outcome is either 'pass', 'advisory' or 'disrepair referral';
- 48% pass
- 17% advisory = relatively minor issue identified
- 17% referral = likely Category 1 hazard present, or wrong licence type or licence audit breach
- 18% empty/owner occ./sold

Compliance referral cases

- These referral cases go to the enforcement teams for full inspection and use of powers;
- As a council officer has already visited and alerted I/I to defects any subsequent EHO visit will take a firm line against defects found. The usual pre-notice consultation ltr won't be sent, straight to enforcement;
- Officers will always discuss cases if requested.

The End

- Any Questions ?