

**Newport City Council**  
**Consultation on Houses in Multiple Occupation Additional Licensing Scheme 2013**  
**Oct/Nov 2013**

It is the intention of Newport City Council to designate an area as subject to a scheme for the Additional Licensing of Houses in Multiple Occupation under the Housing Act 2004. The introduction of such a scheme will enable the continued regulation of multiply occupied properties over and above those premises included in the Mandatory Licensing provisions of the 2004 Act, and build upon the improvement of premises brought about by the current Council's Houses in Multiple Occupation Licensing Scheme. Should you wish to make comments on the proposed scheme these must be submitted in writing to Helen Wilkie, Public Protection Manager, Newport City Council, Telford Street, Newport NP19 0ES, HMO@newport.gov.uk and should be received no later than 6 December 2013.

## **Background**

- 1 The Housing Act 2004 came into force in Wales in June 2006. The Act introduced new powers for local authorities to regulate standards in the private rented housing sector. In particular, it introduced the duty for local authorities to licence certain types of Houses in Multiple Occupation (HMO), namely those of 3 stories or above, and with 5 or more tenants that comprise 2 or more households. This is termed Mandatory Licensing. The Act also provides for local authorities to introduce other types of licensing schemes for different types of HMO (known as Additional Licensing).
- 2 Since the introduction of the Council's HMO Licensing Scheme in 2008, 252 properties have been improved, equating to improved living conditions for approximately 1,491 Newport residents. The licensing process has enabled the Council to tackle a wide range of problems in HMOs by way of conditions attached to licences. This has streamlined the mechanisms for enforcing minimum standards and management conditions, including ensuring the suitability of the landlord.
- 3 Since the introduction of the scheme, Environmental Health has served a total of 169 statutory notices and prepared 41 prosecution reports, the majority of these actions were for properties that would currently fall outside the Mandatory Licensing scheme, and therefore, without the Council's licensing scheme, would not have been improved.
- 4 The licensing scheme has also had the benefit of assisting the Waste Management team with the implementation of recycling and the fortnightly collection in HMOs through conditions imposed under registration, working with the landlords to provide microlite recycling centres for larger HMOs, larger bins for properties housing more than 6 tenants, and in certain cases, setting up trade waste contracts with landlords.

## **Additional Licensing 2013**

- 5 In order to continue with the regulation of HMOs in Newport in the current way, it is recommended that appropriate licensing is continued by the declaration of a new Additional Licensing Scheme, which will enable the Council to address, through licensing conditions, matters of concern identified by tenants, Elected Members and key stakeholders. It is recommended that the scheme would continue to be applied to the whole of the City so as to be equitable across the Council's area and avoid the possibility of some landlords creating HMOs in certain areas so as to avoid the licensing regime. This would continue the valuable progress that the Council has made over the past 5 years to regulate such accommodation to ensure safe conditions and satisfactory standards of management.
- 6 In April 2007 the Welsh Assembly Government issued guidance to local authorities (The Housing Act 2004 (Selective Licensing) (Wales) General Approval 2007) indicating that councils may introduce an Additional Licensing Scheme without obtaining Assembly approval, providing that certain requirements of the legislation with regard to evidence, consultation with interested parties and implementation are carried out. In particular, the Council must:

- consider that significant proportion of the HMOs of that description are being managed ineffectively as to give rise, or likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public;
- consider whether there any other courses of action available to them that might provide an effective method of dealing with the problem or problems in question;
- consider that making the designation will significantly assist them to deal with the problems,
- consult persons likely to be affected by the designation.

7 Environmental Health is satisfied that there is evidence that a high proportion of the HMOs are not being managed effectively; although other courses of action available to the Council would deal with some of the issues in HMOs, they will not provide the holistic approach that the more effective powers available through the licensing regime will allow including the safety and environmental issues encountered in the smaller HMOs; the designation will significantly assist the Council in dealing with the problems with HMOs.

8 Fees charged for the current Licensing Scheme are as follows:

Initial Licence	£850
Renewal of Licence	£650
Initial Licence and Renewal – Accredited Landlords	£600

9 The new scheme proposes to introduce a new fee structure as follows:

	<b>Smaller HMOs (3-5 Occupants)</b>	<b>Larger HMOs (6+ Occupants)</b>
Initial Application	£850 (discounted to £600 for Accredited Landlords)	£50 extra per Occupant to a maximum of £1500
Renewal Application made <b>before</b> expiration of existing licence	£650 (discounted to £600 for Accredited Landlords)	£50 extra per Occupant to a maximum of £1300
Renewal Application made <b>after</b> expiration of existing licence	£850 (discounted to £600 for Accredited Landlords)	£50 extra per Occupant to maximum of £1500
Licence Variation (involving an inspection of the property)	£75.00	£75.00

### **Conditions imposed by Licensing**

*(additional conditions to those used in the current scheme are shown in italics)*

#### **Gas, Electric and Furniture**

1. The licence holder shall produce annually to the local authority, the gas safety certificate obtained for the house within the last 12 months.
2. The Licence holder shall submit to the council, on demand current and satisfactory electrical safety test and inspection certificates for each electrical installation within the property, including any landlord supply. Such certificates should be submitted from contractors registered with the Electrical Contractors Association (ECA) or the National Inspection Council for Electrical Installation Contracting (NICEIC) or any other such body as the Council may choose to recognise.
3. The Licence Holder shall keep all electrical appliances supplied by them to the house in a safe condition. An annual PAT test certificate shall be provided to the Council as evidence.
4. The Licence holder shall only supply furniture to the property that complies with the requirements of the Furniture and Furnishings (Fire Safety) Regulations 1998, as amended. All such furniture is to be kept in safe condition and good repair. This requirement also applies to covers and fillings of cushions provided. Documentation supporting the furniture's compliance with these requirements, or a signed declaration to this effect, must be placed in a logbook at the premises.

#### **Tenancy Agreement and tenancy documents**

5. The licence holder shall supply all occupiers of the house with a written statement of the terms on which they occupy it.
6. *The licence holder will provide all tenants with information as to where their tenancy deposit is held or protected.*

7. *The licence holder will provide tenants with a copy of the energy performance certificate for the property the start of their tenancy where appropriate.*

### **Fire Precautions**

8. Appropriate fire precaution facilities and equipment must be provided at the property. The licence holder shall ensure that any works listed in Schedule 1 to this licence are carried out and completed within the specified time period in respect of this requirement.
9. The licence holder shall ensure that all fire alarm, emergency lighting and fire extinguishers provided at the property are serviced annually and maintained in good working order. All documentation relevant to the annual servicing of this equipment must be kept in a logbook at the property.
10. The licence holder shall ensure that an explanation is given to each tenant at the beginning of their occupancy regarding all fire precautions and facilities provided in the house. This should include, but is not limited to, understanding the alarm, the importance of fire doors and protecting the escape route, keeping the escape route free of obstructions and the use of fire fighting equipment. Following the receipt of such instructions, each tenant must sign the Declaration of Understanding included in Appendix A to this licence. A copy of each signed declaration must be placed in a logbook at the property and submitted to the local authority within 7 days of such a request being made.
11. The licence holder shall ensure that the fire alarm and emergency lighting is tested at appropriate intervals, in accordance with the installers/manufactures instructions, and any defects remedy immediately.

### **Amenity Standards**

12. The amenities provided at the property must meet minimum prescribed standards, having regard to the number of occupiers for which a licence has been granted. The licence holder shall ensure that any works listed in Schedule 2 to this licence are carried out and completed within the specified time period.

### **Waste Arrangements**

13. The licence holder shall ensure that suitable and sufficient storage facilities are provided for refuse pending its disposal, in compliance with Council Waste management collection arrangements, wheelie bin provision and recycling, giving the tenants at the beginning of their occupancy, an explanation of the storage and disposal arrangements in place in respect of refuse.
14. Furthermore, the licence holder must obtain and keep safe at the beginning of any occupancy, the signed declaration of each occupier understands of the arrangements, and their agreement to abide by them. The Declaration of Understanding required is included in Appendix A to this licence. Copies of the signed declaration must be kept in the logbook and submitted to the local authority within 7 days of such a request being made.
15. The licence holder shall ensure that wherever possible any waste arising from building work or improvements to the house, does not accumulate in the curtilage to the property. Where such accumulations are unavoidable, they shall be removed without delay.
16. No other waste such as old furniture, mattresses and fridges shall be allowed to accumulate in the curtilage to the property. If arrangements have been made for the removal of such items, they may only be placed outside the property for removal, on the day of collection.

### **Anti-social Behaviour**

17. The licence holder shall take all reasonable and practicable steps to prevent or reduce anti-social behaviour by persons occupying or visiting the house. This should include the following:-
  - Setting out what is meant by anti-social behaviour
  - Explaining the standards expected.
  - Explaining the consequences of anti social behaviour and possible repercussions from the police, university/instate and local authority
  - Record details of all complaints received directly in respect of anti-social behaviour
  - Invoking appropriate tenancy agreement sanctions where necessary.
18. Following the receipt of information in respect of anti-social behaviour, each tenant will be required to sign the declaration included as Appendix A to this licence. Copies of the Declaration of Understanding must be kept in a logbook and submitted to the local authority within 7 days of such a request being made.

### **Local Management Arrangements**

19. Should the licence holder reside over 50 miles from the City of Newport, then a competent manager residing within 50 miles of the authority's area, must be appointed.

20. All reasonable requests for access to the property by the local authority must be met and the licence holder or manager shall ensure that such access is gained.

### **Street Scene**

21. The external appearance of the house shall be maintained in good repair and decorative order.
22. The gardens, forecourts and boundary walls/fences of the property shall be kept free from overgrowth, litter or other accumulations and maintained in a clean and tidy condition.

### **Logbook Requirements**

23. A logbook shall be kept and maintained by the licence holder. A copy shall be retained at the property, the logbook must contain up to date information in respect of the following:

- Copies of the tenancy agreements
- Copies of the furniture documentation/ declaration
- Copies of fire precaution declarations
- Copies of refuse arrangement declarations
- Copies of anti-social behaviour declarations
- Gas safety certificates
- Electrical Installation Certificates
- PAT Test certificates
- Fire alarm service records
- Fire Alarm testing certificates – annual
- Fire extinguisher service records
- Emergency lighting test certificates (if applicable)

24. All annual tests will be carried out in a timely manor with copies of certificates provided to tenants and retained for inspection by the Council.

### **General**

25. The licence holder / manager shall ensure that all issues concerning repairs to the fabric of the building, appliances, equipment or furniture notified to him/her by tenants, council officers or visitors to the property are undertaken within an appropriate period of time.
26. The number of persons residing at the property shall not exceed the maximum number stated on the licence.
27. The use and level of occupancy of each room shall not be changed without approval of the Council
28. Any material changes of circumstances in respect of the licence holder, manager or anyone else involved with the property, the property it self or its management, must be notified to the local authority in writing and all relevant documentation provided within 14 calendar days, this will include any criminal convictions, changes of address and contact details.
29. No alteration that may impact on the licence conditions will be made to the property without prior notification to the local authority.

The proposed new conditions (numbers 6 and 7) shown in italics above have been required by new legislation since the current Licensing scheme was introduced and therefore their inclusion does not mean that the Council is proposing to impose any additional regulatory burden on landlords.

## **Conclusion**

- 10 The private rented sector in Newport, and particularly Houses in Multiple Occupation, play an important part in the local housing market. HMOs provide a substantive form of occupation for students, families, single people and smaller households who live in shared house or bedsit type accommodation. These premises can however cause particular problems, especially in localities with high concentrations of HMOs, if the properties are not effectively managed and properly regulated.
- 11 Evidence indicates that some of the worst housing conditions may be found in small as well as large HMOs and, without the designation of an Additional Licensing Scheme in the City, the Council will not be able to ensure that these smaller properties are regulated, brought up to a satisfactory standard and properly maintained at that standard.
- 12 A draft copy of the Licensing Scheme 2013 can be provided on request.