

Camden HMO Landlord Event

Spring 2019



Agenda

10:00	Welcome and overview
10:15	HMO Licensing Review
10:35	Licensing Q&A
10:30	Rent repayment orders
11:15	Refreshment break
11:30	Homes (Fitness for Human Habitation) Act 2018 & Tenant Fees Act 2019
12:15	Case studies
12:30	Q&A

Welcome

Karen Swift

Head of Housing Supply Initiatives and Partnerships

Private Rented Sector

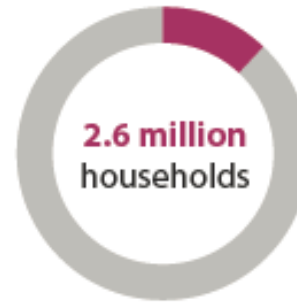
- Second largest tenure in England
- More than doubled in size over last 20 years

20%

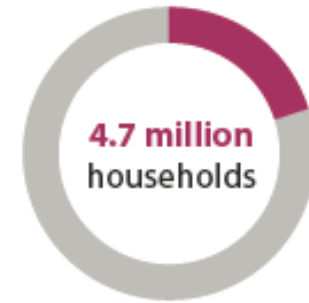
of households live in the **private rented sector**, up from **12%** in 2006-07 and **10%** in 1996-97



in 1996-97



in 2006-07



in 2016-17

English Housing Survey 2016/17

- Camden – 33% of households within private rented sector (London 25%)

Camden 2025

Homes and housing

- Whether renting or buying, homes should be affordable and secure.
- Homes should be safe, warm and free from damp.
- Homes should be accessible and flexible to meet people's needs, whether that is someone growing older or a growing family.
- Nobody should be sleeping on the streets.

Camden Plan

The Council's response to Camden 2025; under Homes and Housing:

- We will strive to make homes in Camden safe, well-managed and well-maintained, and make sure that people's homes meet their needs. We will play an active role in shaping a **private rented sector** that works.

Deliver this by:

- Bring people and agencies together to get things done
- Open up the council so all citizens can have a say
- Better and less expensive to prevent problems and intervene early

Lots of changes

- **1 October 2018** – HMO and residential property licensing reform
 - No longer 3 or more storey requirement
- **20 March 2019** – Home (Fitness for Human Habitation) Act 2018
 - More on this later
- **1 June 2019** – Tenant Fees Act 2019
 - Ban letting fees paid by tenants in the private rented sector
 - Cap tenancy deposits

In the pipeline...

- **Short and Holiday-Let Accommodation Bill 2017-19**
 - Requires households to notify local authorities of an intention to register accommodation for short or holiday lets.
 - 1st reading stage
- **Longer tenancy plans**
 - Proposal to introduce minimum 3 year tenancy term
 - Consultation 2 July to 26 August 2018 (currently analysing feedback)
- **Rent controls – Mayor of London**
 - Karen Buck MP working with GLA to develop proposals for rent stabilisation / control options to make private rented sector affordable.
- **Raising standards across the property agent sector**
 - Working group chaired by Lord Best, recommendations to:
 - Better support homebuyers, sellers, landlords, leaseholders and tenants.
 - Due to report findings summer 2019

Controlling Migration Fund

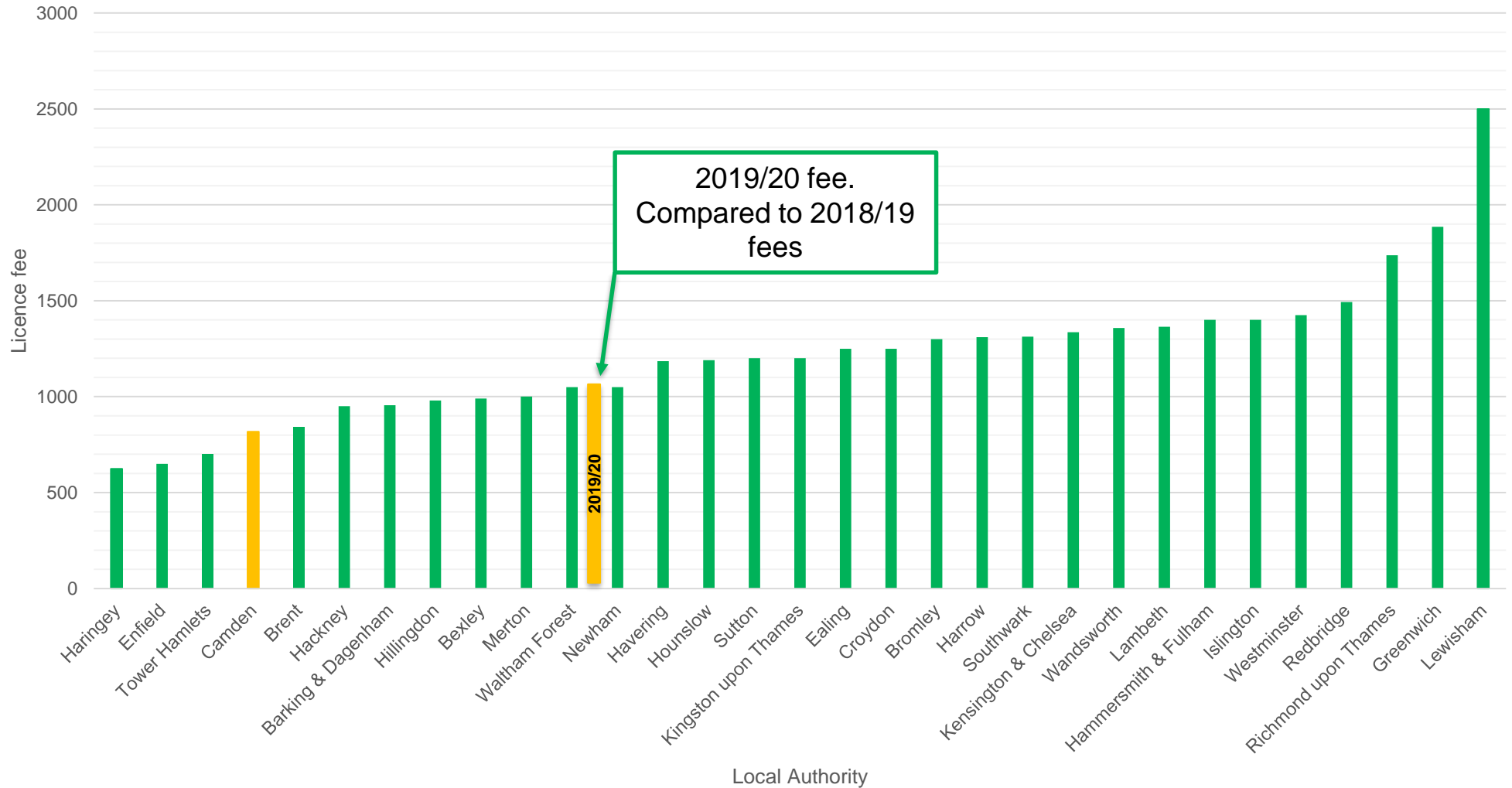
- Success in securing Ministry of Housing, Communities and Local Government (MHCLG) funding
 - **To address rogue landlords and letting agents within Camden exploiting migrant tenants living in unlicensed and dangerous HMOs**
 - Migrants (students, NHS workers) often stay in Camden for limited time period
 - Looking to reduce homelessness and migrant exploitation – websites in tenant's home country offering accommodation and often paid work

HMO Licensing Fees

- Review of current fees undertaken September 2018
 - Not at full cost recovery
 - Cost of issuing licence and enforcement = £1,300
 - Current fees for 3 let Additional Licensing = £708.50 (shortfall of £592)
- Proposed new fees signed off at full cabinet on 25 March 2019
 - Property fee £750 (£545.50)
 - Per let fee £60 (£54.50)
- Total fee for typical 3 let additional HMO £930, equivalent to £15.50 / month
- New fees effective from 2 April 2019

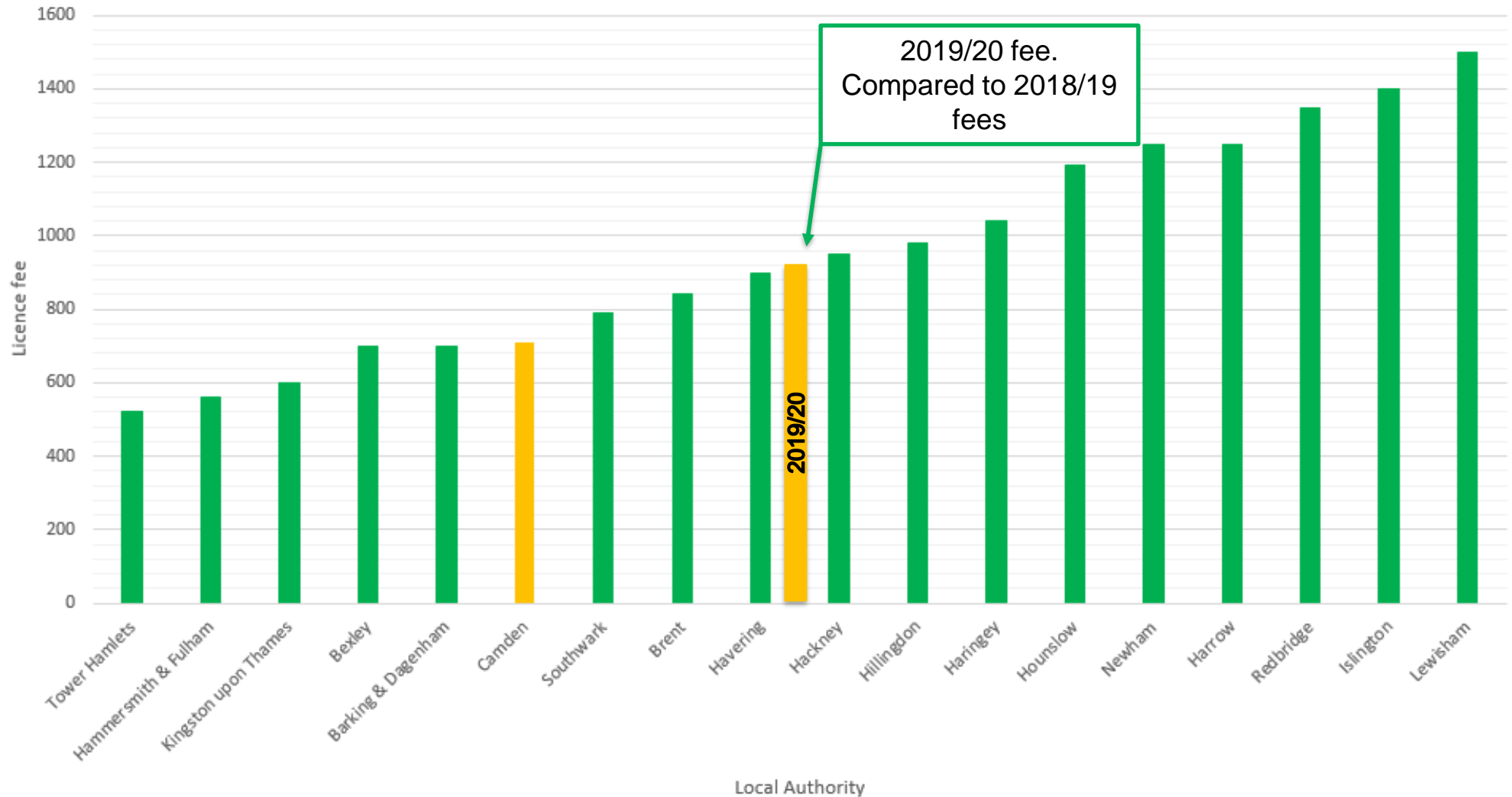
Mandatory fee comparison

Mandatory HMO licensing fees - 2018/19



Additional fee comparison

Additional HMO licensing fees - 2018/19



HMO Licensing Review

Janet Wade
Principal EHO

Additional Licensing

What has it meant for Camden?



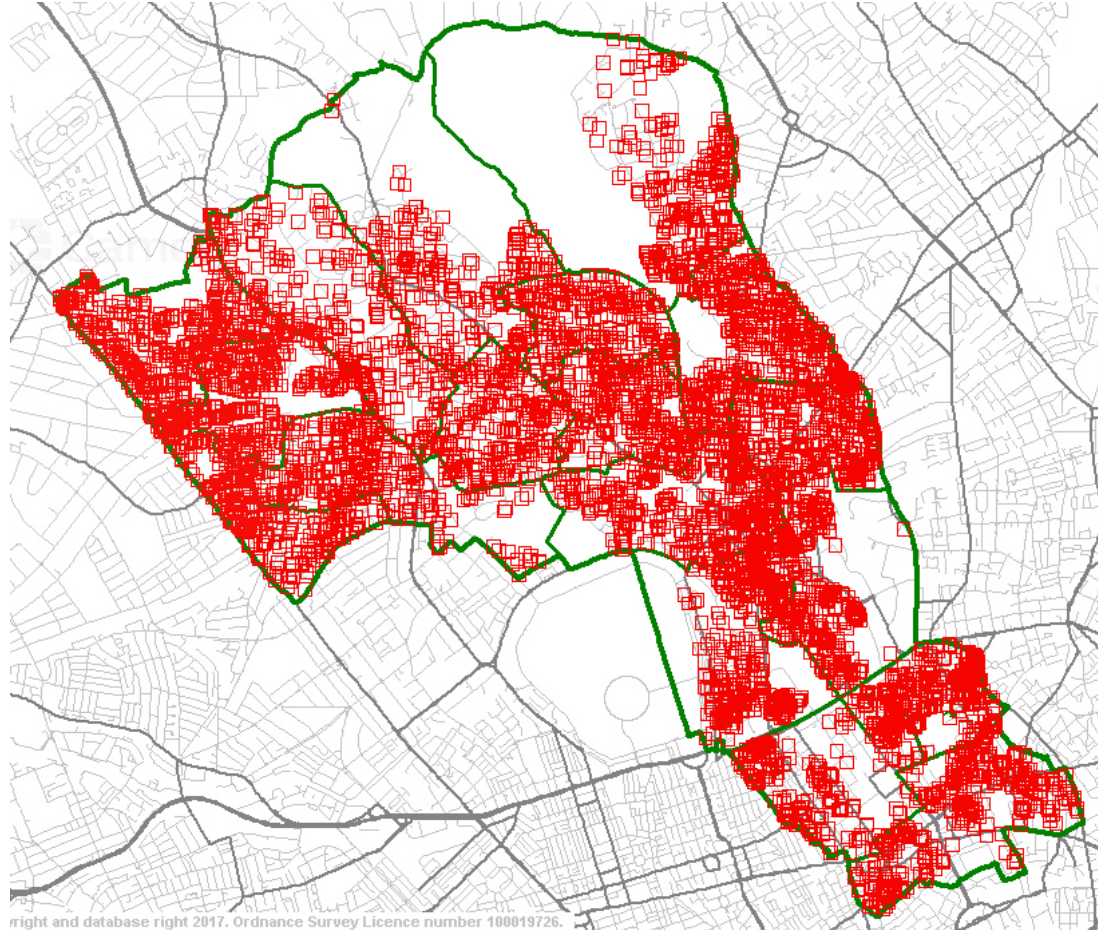
Camden's additional licensing scheme

- Additional – not selective
- HMOs only (a house or flat with three or more people who form more than one household)
- Includes older and poorly converted flats (s:257 HMOs)
- Borough wide
- Current scheme expires in December 2020

Licensing activity

- Applications received: 3,838
- Visited: 2,892 (74/month average)
- Licensed: 2,846 (2,549 additional)

Map of licensed properties



Review of scheme

Reasons:

- Statutory function
- Service improvement
- Scheme publicity

Consisted of:

Compliance inspections – 88 properties

Landlord survey (Aug-Nov 2018) – 77 responses

Tenant survey (Aug-Nov 2018) – 43 responses

Key points

- Nearly all (99%) of licences issued had works that were required, mainly fire safety and electrical works but also amenities and facilities and heating.
- A significant number (64%) of the properties also needed works under HHSRS.
- 34% of landlords had carried out all the work within the time period required.
- 16% had carried out none or less than half of the works.
- 74% of licences had not been brought to the attention of the tenant and 49% of tenants taking part in the survey said they did not know if the property they lived in had a licence.

Key points (cont.)

- **Processing HMO licence** - 51% rated good/very good (25% poor/very poor)
- **Licensing inspection** - 49% rated good/very good (14% poor/very poor)
- **Understanding of safety requirements** - 56% thought improved understanding (39% thought it had not)
- **Improved HMO conditions** - 39% thought licensing improving conditions (39% thought it had not)
- **Online application form** - 42% rated good/very good (21% poor/very poor)
- **Licence information** - 48% rated good/very good (14% poor/very poor)
- **Council website** - 42% rated good/very good (16% poor/very poor)
- **Time to issue licence** - 36% rated good/very good (34% poor/very poor)
- **Tenant views of licensing** - 54% in favour (19% not)

Lessons from review

- Managing agents – ensure have processes in place
- Need to read the licence from front to back
- Ensure undersized rooms are not re-occupied
- Ensure all works necessary are carried out in the time period required
- Notify where properties are sold
- Notify where managing agents change
- Bring the licence to the attention of the tenants

Current and future initiatives and action

- HMO landlord event
- HMO landlord newsletter
- More initiatives with managing and letting agents
- Explore ways to speed up the whole licence process
- Compliance inspections
- Robust enforcement where necessary

Renewal of additional HMO licensing

- The Council is very interested in renewing the scheme
- This review will inform the renewal
- Clear evidence improving the standards and management of HMOs
- Still a good degree of compliance needed
- A significant number of HMOs (especially s:257s) still need to licence
- Work on renewal will start in the summer