

Community Impact Assessment

Additional licensing for houses in multiple occupation

- Who will make decision? **Cabinet**

- Who has been involved and how: **NBC officers, councillors, stakeholders**

- **Date: 12 December 2013 and reviewed at close of consultation 10 February 2014**

Matter assessed:

1. Aims/objectives and purpose of the policy/service

- **Aims and objectives**

A growing number of Northampton residents now rent their homes from a private landlord and a significant number of these rented homes consist of bedsits and shared houses. This increase has come about partly as a result of the rise of the student population and the number of migrant workers who have settled in the town. Bedsits and shared accommodation are a popular source of accommodation for residents on lower income looking for an affordable home. They are also an accessible form of tenure for many vulnerable residents.

However the private market is currently only loosely regulated and there is good and bad practice within the sector. There are many reported instances of properties in poor condition, overcrowding and with an increased fire risk. Concentrations of these types of properties can also have adverse effects on local communities.

By law larger HMOs must be licensed but licensing of smaller properties is at the discretion of the local authority.

Licensing is one way in which houses in multiple-occupation can be quality controlled to ensure basic standards, safety and quality. Quality in this type of accommodation is measured in terms of a good standard of repair, homes that meet safety standards and offer reasonable quality basic amenities such as kitchens, bathrooms and toilets.

The main issues associated with HMOs in the Borough are poor housing conditions, inadequate fire precautions, refuse, fly tipping, noise nuisance and pest control. The council is now considering extending mandatory licensing across selected parts of the town that have seen a proliferation of smaller HMOs. The aim is twofold. It wishes firstly to improve the quality and safety of accommodation and to strengthen controls to protect tenants from harassment and unlawful eviction. Secondly, through working in partnership with other agencies, it wishes to mitigate some of the unintended adverse effects on local communities.

- **Key actions**

Mapping and recording of all properties known to be HMOs and building a database of landlord details. (Comparison between Council Tax records and actually foot survey data shows a significant under reporting of 2 storey HMOs.)

Writing to all known landlords to advise them about the scheme and the introduction of a license fee.

Identification of 'hidden' landlords and properties through increased street presence, including door knocking where a property is believed to be a HMO.

A targeted publicity campaign to encourage members of the public to report properties they suspect to be unlicensed HMOs and a whistleblowing hotline about rogue landlords.

Letters and emails inviting all known landlords and letting agents to take part in the consultation

Meetings arranged with residents associations, local ward councillors and organisations representing landlords of 2 storey HMOs.

Attending landlord organised meetings to discuss the regulation of HMOs

Drawing up an inspection programme to systematically record the condition of all properties, identify those in poorest condition and tenant issues.

- **Expected outcomes**

Over time we would expect to see:

Improved relationships with private sector landlords in the town as the scheme becomes embedded and the number of licenses issued increases. As part of the process of licensing landlords, we would reinforce our expectations of meeting responsibilities towards their tenants and promoting good practice. We would encourage landlords to apply for accreditation.

Improved two way communication through staging regular forums to discuss issues and update landlords on new developments in the sector.

A more accurate knowledge of the volume and condition of HMOs within the areas of the town covered by the scheme and reduction in the number that fall 'under the radar.'

In conjunction with other agencies, particularly the fire service, action taken to improve fire safety in these properties and reduce other health and safety hazards.

Improved outcomes for tenants, such as better maintained and safer properties and less overcrowding i.e. raised standards overall.

A reduction in the negative effects on the wider community as action is taken to crack down on all reported instances of anti- social behaviour, noise nuisance, fly tipping of rubbish etc by tenants.

- **Who will be affected and how?**

All HMOs in the wards covered by the scheme will be licensable and landlords will be obliged to pay the licensing fee if the scheme is approved. Costs may be passed on to tenants and this impact would require awareness.

All these properties will be subject to inspection.

Landlords who do not comply with the conditions of the scheme could face enforcement action and ultimately prosecution.

Tenants should have raised expectations and greater confidence that landlords will fulfil their responsibilities and maintain their properties to a good standard.

Tenants will be safer.

Residents in local communities will see improvements through lower levels of nuisance, anti- social behaviour and better local environments.

- **Approximately how many people will be affected?**

It is not possible to quantify this precisely at the current time, as the proposals will affect both specific groups of people (i.e. landlords and tenants) in addition to the wider community.

2. Date of decision

Cabinet will consider the matter in March 2014.

3. Scope/focus of the Community Impact Assessment

This CIA considers possible impacts on a small number of landlords (over 200), the wider tenant population and the community as a whole across a number of wards in Northampton.

4. Community Screening Outcome

Aim	Yes/No
Eliminate discrimination, harassment and victimisation	Yes
Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it	Yes
Foster good relations between persons who share a relevant protected characteristic and persons who do not share it	Yes
Contribute to health improvements or inequalities	Yes

5. Relevant data and/or undertake research

One of the reasons why Government requires larger HMOs to be licensed and that powers are available to license smaller HMOs is because the risk of death and injury by fire and accidents are greater than the risks faced by residents living in single occupied homes¹.

Research indicates that certain types of HMOs present significantly greater health and safety risks to tenants than comparable single occupancy dwellings. Risk assessment carried out by ENTEC for the Department of the Environment, Transport and the Regions on fire safety in HMOs concluded that in all houses converted into bedsits, the annual risk of death per person is 1 in 50,000 (six times higher than in comparable single occupancy houses). In the case of bedsit houses comprising three or more storeys the risk is 1 in 18,600 (sixteen times higher).

There are also noticeable impacts on local communities and local environments where HMOs increase disproportionately and councils often find that they deal with rising complaints in relation to nuisance, anti-social behaviour and the street scene as on street parking, fly tipping and bins on streets increase². The Government has stated that the very

¹ [See Explanatory memorandum to the Management of Houses in Multiple Occupation \(England\) Regulations 2006 \(2006 No: 372 at paragraph 16\)](#)

² Evidence Gathering: Houses in Multiple Occupation and Possible Planning Responses (Ecotec)- 2008

worst conditions in the private rented sector are to be found in houses in multiple-occupation.³

The council has noticed a concentration of bedsit and shared housing accommodation arising in the town and that this is noticeably located in areas closer to the University of Northampton⁴. The accelerated rise in student bedsits and shared housing has indicated a proportionately increased need to ensure that quality is being maintained and that other residents are not being adversely affected by the growth of these areas of student housing. The adoption of an additional licensing scheme in the view of the Council would provide a proportionate layer of control protecting residents and tenants and this is the subject of the consultation currently being undertaken.

The boundary area for the proposed additional licensing scheme was based on data from Council Tax about density of HMOs combined with higher rankings of complaints about anti-social behaviour in certain areas. Council Tax and electoral data shows there are between 980 and 1500 HMOs in the Borough with the main areas of concentration in the Castle, Abington, Trinity, Semilong and Phippsville. Other areas such as Sunnyside are seeing growth in shared student houses where they are near to the University campuses.

6. Current Service Provision –What are you doing now?

We currently license larger HMOs and work with landlords across the town to ensure quality standards in those properties. Enforcement action is taken where there are clear breaches of regulation or non-compliance.

7. Rationale for change-What will the service be like if/when change(s) is agreed/ introduced?

Please see aims/objectives and expected outcomes section above.

8. Identification of affected groups

Our stakeholders include known landlords and managing agents, residents associations, residents who have expressed concerns to date, tenants, the Fire and Rescue Service, the Police, local businesses, other organisations such as DASH, Shelter and CLS.

As part of the process of consultation we hope to extend our network of contacts and identify more properties used as HMOs and their landlords.

9. Assess and/or undertake consultation

So far the following has been undertaken/is planned for the near future:

³ The English House Condition Survey (2006) stated that whilst the private rented sector has the poorest housing conditions the very worst are to be found in the HMO sector.

⁴ See Confirmation of Article 4 Directions re Houses in Multiple Occupation (Cabinet Report Northampton Borough Council 27th July 2011)

- A 10 week web based consultation already online outlining proposals and [requesting feedback from interested parties](#)
- Media release
- Letters sent out to all known landlords and lettings agents
- Meetings to be set up with relevant residents associations. Ward councilors invited.
- Meetings, face to face and telephone interviews to be arranged with landlord and other interest groups and organisations such as National landlords Association, DASH and the Northamptonshire Fire Service.
- Leaflet drops in areas of affected housing
- Information to be posted to all known landlords and managing agents
- Face to face meetings/ interviews to be with residents in affected streets to discuss concerns and issues

10. Assessment of impact on staff including staffing profile if/as appropriate

Proposals are in place to increase staffing levels to meet increased demand for administrative and technical licensing support and downstream regulatory activity.

11. Assessment of impact on wider community

We recognise that many of the council's initiatives have made significant steps towards addressing the issues which arise from HMOs including the reduction in anti-social behaviour dealt with by the police. However, there are areas in the Borough where the numbers of complaints about noise nuisance and unsatisfactory living conditions in HMOs indicate that further improvements need to be made in order to reduce the negative impact of this form of accommodation.

The introduction of additional licensing would complement the existing approaches and demonstrate additional benefits. There would however be a cost to landlords through the payment of licensing fees. The benefits of improving housing conditions for the occupants, the appearance and amenity of the community and reducing nuisance is intrinsic to maintaining high quality accommodation and directly impacts on property values.

Whilst the council has made progress; working with landlords and partners to improve conditions within HMOs and deal with nuisances arising from them, there is still a significant lack of property condition information and landlord details relating to many HMOs, particularly the smaller unlicensed HMOs. The introduction of an Additional Licensing scheme would seek to address this, together with a clear enforcement policy to deal with those landlords who continue to operate sub-standard accommodation without a licence.

We anticipate a polarised response from the consultation process with landlords reacting negatively to the proposals and residents reacting more positively. We also expect agencies to be overwhelmingly in favour as they deal with the consequences of poorly run HMOs.

12. Analysis of impact by protected characteristics

The main beneficiaries of the proposals in terms of increased safety will be the group of tenants who live in HMOs across the scheme area. Whilst we do not have data to create diversity profiles of this group there is evidence to suggest they are likely to be predominantly single, young or of working age, on low income or claiming benefit. They are also likely to be a transient group who will be moving frequently as their circumstances

Characteristic	Relevance to decision High/Medium/Low/None	Impact of decision Positive/Negative/Neutral
Age	high	positive
Disability	high	positive
Gender reassignment	none	none
Marriage and civil partnership	low	neutral
Pregnancy and maternity	medium	positive
Race	medium	Positive
Religion or belief	medium	positive
Sex	high	Positive
Sexual orientation	medium	positive
Other socially excluded groups (include health inequalities)		

dictate. The wider community would also be affected by the nature of the problems the proposals seek to address.

13. Assess the relevance of the decision to people with different protected characteristics and assess the impact of the decision on people with different protected characteristics.

No adverse and unintended impact arising from these proposals have been identified this far.

14. Mitigation of adverse Impact on staff/service/people

We anticipate the effects of the scheme on the affected groups will be predominantly positive ones in safety terms. Any objections to the proposals are likely to be restricted to landlords who may resent interference or the imposition of additional costs, which could potentially be passed on to the tenants.

15. Publication of results

This impact assessment will be posted on council's website.

16. Monitoring and review

An action plan for monitoring the success of the scheme and its effectiveness will be developed after the end of the consultation period.

17. CONCLUSION

We anticipate that the proposals to extend the licensing of HMOs will impact positively on tenants and residents of the wider community through an improved housing offer and they represent no unlawful discrimination. Potentially costs to landlords may be transferred to

residential occupiers who may be within protected groups. Any negative impacts that are flagged up as part of the consultation process will be taken on board and our proposals amended as appropriate to mitigate these impacts.

Signed: P Bryon Interim Private Sector Housing Manager

Date: February 2014