



## **CABINET REPORT**

<b>Report Title</b>	<b>Cabinet Response to Management and Regulation of Private Sector Housing (including HIMOs) Task and Finish Group</b>
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**AGENDA STATUS: PUBLIC**

<b>Cabinet Meeting Date:</b>	4 <sup>th</sup> March 2015
<b>Key Decision:</b>	No
<b>Within Policy:</b>	Yes
<b>Policy Document:</b>	No
<b>Directorate:</b>	Chief Executive - Housing and Wellbeing Service
<b>Accountable Cabinet Member:</b>	Cllr Markham
<b>Ward(s)</b>	All

### **1. Purpose**

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1.1 The purpose of the report is to respond to recommendations set out in the Overview and Scrutiny document presented to Cabinet at 10<sup>th</sup> September 2014.

### **2. Recommendations**

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2.1 That the recommendations included in the Overview and Scrutiny for the Management and Regulation of Private Sector Housing (including HIMOs) are accepted.

2.1.2 That the Task and Finish Group are formally congratulated for their commitment to best practice regulation and management of private sector housing, the high quality and comprehensive report produced and thanked for their time and effort given to produce it.

## 3 Issues and Choices

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### 3.1 Report Background

The Overview and Scrutiny Committee, at its work programming event in March 2013, agreed to include a review of investigating the regulation and management of private lettings, both by landlords and agencies. These were issues that had been identified by the Cabinet Member for Housing as one of her key priorities. The Overview and Scrutiny Committee commissioned Scrutiny Panel 2 to undertake the review. An in-depth review commenced in July 2013 and concluded in June 2014.

This review links to the Council's corporate priorities, particularly corporate priority 5 – better homes for the future and corporate priority 2 – invest in safer, cleaner neighbourhoods.

Scrutiny Panel 2 formally informed cabinet that it supports the proposal to implement Additional Licensing for HMOs. The Scrutiny Panel agreed that, at the time of the Review, there are no areas in Northampton that require a Selective Licensing Scheme but the need for Selective Licensing should be kept under constant review.

### 3.2 The following recommendations were included in the report:

- A Private Sector Landlords Registration (Licensing) Scheme is implemented with the facility for landlords to register (apply to license) on-line.
- A useful guide for individuals that are considering becoming a private sector landlord is published on the Council's website and includes the following headlines:
  - Speak to your mortgage lender
  - Get references from potential tenants
  - Prepare a formal agreement
  - Deposits – properly protected
  - Obtain an energy performance certificate
  - Do you need a property licence?
  - Get all your gas and electric appliances checked
  - Minimise the risk from fire
  - Ensure that your property presents no risks to your tenant's health and safety
  - Don't find yourself in court when something goes wrong
- Northampton Borough Council works with the University of Northampton and private sector landlords to agree a Northampton standard for privately

rented homes. The standard is produced in conjunction with the useful guide (recommendation 2.1.3) and Best Practice Guide (recommendation 2.1.12).

- A Protocol for identifying absent landlords is produced and implemented. Private Sector Landlords are encouraged to join a local or national Landlord Association.
- A Policy for the prosecution of “rogue landlords” is introduced and a funding pot is identified to be allocated to resources to support licensing through a rigorous programme of encouragement, support to landlords, and enforcement, including prosecution of those landlords who do not comply with the requirements of the Scheme.
- Contact is made with the National Landlords’ Association (NLA) regarding utilising its free of charge scheme of on-line training and the use of its free guidance material for tenants and private sector landlords.
- A tri-annual multi-Agency meeting, together with the Landlords Forum, to enable two way discussions and information sharing, is introduced.
- Planning Services and Housing Services work collaboratively regarding the private rental sector, to ensure that private lettings make a positive contribution to neighbourhoods.
- A check be made to ensure that letting agents are renting properties through the correct procedure and that letting agents are included in Additional Licensing.
- Arrangements be put in place for Licence fees to be paid through a direct debit scheme, similar to that in place for the payment of Council Tax.
- The Scrutiny Panel highlights the need for a Best Practice Guide for Private Sector landlords and tenants and has produced a list of key issues that the Guide should include, as detailed below, for Cabinet’s consideration:
  - Issues to consider pre tenancy
  - Means of managing a property
  - Setting up a tenancy and different legal agreements
  - Deposits
  - Rents
  - Housing benefit
  - Landlord and tenant responsibilities
  - An agreement between Letting Agents and Landlords that the Letting Agent is permitted to undertake repairs on behalf of the Landlord
  - Other housing options
  - Empty homes

- Housing standards and Safety conditions
  - Housing health and safety rating system
  - Safety checks
  - Energy efficiency, recycling and sustainability
  - Equalities Statement
  - Useful contacts, such as [HMRC](#) and [Gov.UK](#)
- The Best Practice Guide for Private Sector landlords and tenants is easily accessible on the Council's website with paper copies available in the Council's One Stop Shop. On request, the Best Practice Guide should be made available in other languages and formats.
  - A copy of the Best Practice Guide is sent to the Association of Residential Letting Agents (ARLA) and the National Landlords' Association (NLA).

### **3.3 Choices (Options)**

All recommendations are happily accepted by the Private Sector Housing Service and it is now working to deploy these and subject to resources and the advice of the new Head of Service for Housing and Wellbeing they are planned to be fully deployed in 2015/16. Landlords can currently pay for licences in instalments and there is currently an online application form which can be downloaded for completion. Working between Planning and Housing Services has commenced and the University has adopted the Council's licensing scheme as its landlord's eligibility standard.

## **4. Implications (including financial implications)**

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### **4.1 Policy**

Northampton Borough Council is committed to raising standards within the Private Rented Sector and will adopt all powers necessary and undertake the required actions appropriate, to improve standards and ensure that the sector develops meeting needs and is safe.

### **4.2 Resources and Risk**

Northampton Borough Council is committed to ensuring that Private Rented Housing Services are adequately and effectively resourced. The Housing and Wellbeing Service has undertaken a restructure in which Private Sector Housing resources are reinforced providing a new post of Private Sector Housing Manager and other officers targeted at combatting poor housing

standards. This team is in the process of consolidation with recruitment taking place in the next couple of months.

### **4.3 Legal**

4.3.1 The development of the service is made in close consultation and with the support of the Council's Legal Service. Discussions are underway in embedding legal support into the new Housing Enforcement Team so expertise is developed for better enforcement knowledge and practice and more certain outcomes.

### **4.4 Equality and Health**

4.4.1 The implementation of the Additional Licensing of HIMO's Scheme was accompanied by a stakeholder plan to take account of equality issues.

### **4.5 Consultees (Internal and External)**

4.5.1 Consultation has been undertaken for additional licensing and is being developed with landlords and other stakeholders moving forwards.

### **4.6 How the Proposals deliver Priority Outcomes**

4.6.1 Private Sector Housing is a key Council Priority and this report indicates the current action and progress in respect of meeting this priority.

### **4.7 Other Implications**

4.7.1 None

## **5. Background Papers**

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5.1 None

**Paul Bryon**  
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**3<sup>rd</sup> February 2015**