

Community Impact Assessment

(Incorporating equality analysis and health considerations)

Name of Matter Assessed:

Designation of Additional Houses in Multiple Occupation (HMO) Licencing Scheme

Who will make the decision:
(e.g. Cabinet/Board etc.)

Cabinet

Who has been involved in developing the matter:

NBC Officers, Councillors and stakeholders who are likely to be affected by the proposed designation including; residents and resident groups, university students, landlords and landlords groups, lettings agents and other local businesses, and statutory agencies.

What is it:

A Community Impact Assessment (CIA) is a document that summarises how the council has had due regard to the public sector equality duty (Equality Act 2010) in decision-making. This document can also be used to consider health and narrowing health inequalities (Health and Care Act 2012)

When to assess:

A CIA should be carried out when you are changing, removing or introducing a new service, policy or function. The assessment should be proportionate; a major financial decision will need to be assessed more closely than a minor policy change.

Due Regard:

To 'have due regard' means that in making decisions and in its other day-to-day activities the council must consciously consider the need to do the things set out in the general equality duty: eliminate discrimination, advance equality of opportunity and foster good relations.

In relation to health, we need to consider the potential short term and long term implication of for decisions that we take to support the Health and Wellbeing agendas.

How much regard is 'due' will depend on the circumstances and in particular on the relevance of the aims in the general equality duty to the decision or function in question. The greater the relevance and potential impact, the higher the regard required by the duty. We need to make sure that we understand the potential impact of decisions on people with different protected characteristics and also need to consider this information before and as decisions are being made. This will help us to reduce or remove unhelpful impacts and inequalities

Proposal Name:

Designation of an Additional HMO Licencing Scheme

Aims/Objectives and purpose of the policy/service/function

Aims and objectives:

A House in Multiple Occupation (HMO) is a house or other dwelling in which several different households are living and sharing facilities such as a kitchen or bathroom.

HMOs and their concentration can be associated with:

- poor standards of accommodation
- increased risk from fire and other hazards
- overcrowding
- poor external appearance
- accumulation of refuse
- reduction in environmental quality
- increased noise complaints
- increased anti-social behaviour

In 2014, under the Secretary of State's general approval, the Council introduced a five-year Additional HMO licensing scheme for a designated area of the borough. This was based on statistical evidence that was valid at that time.

The Additional Licencing Scheme came into force on 3 November 2014 and will expire on 2 November 2019

Key actions:

If approved, the proposed designation of an Enhanced Additional HMO Licencing Scheme (the Scheme) will last for a period of five years commencing on 1 February 2020, and an enhanced area of the Borough will be subject to Additional HMO Licensing for the following types of HMO:

(i) Any HMO (irrespective of the number of storeys) that contains three or four occupiers who form two or more households; and

(ii) All self-contained flats (irrespective of the number of storeys) that are Houses in Multiple Occupation and contain three or four occupiers who form two or more households but, where the HMO is a section 257 House in Multiple Occupation, this Additional HMO licensing designation will only apply to those section 257 HMOs that are mainly or wholly tenanted, including those with resident landlords.

As the definition of a Mandatory HMO changed in October 2018 to an HMO that is occupied by five people or more irrespective of the number of storeys, the proposed Additional HMO licensing scheme – for HMOs that are occupied by three or four people irrespective of the number of storeys – will complement the arrangements that are in place to deal with the licensing of Mandatory HMOs.

Expected outcomes:

If approved, the Scheme is likely to play a vital role in controlling and regulating HMOs and ensuring that legal standards are in place for fire safety, housing related health and safety, space standards and management.

The proposed scheme will provide the Council with the opportunity to ensure that a wider range of HMO's in the designated areas are managed by a 'fit and proper' person.

The anticipated improvements to the physical environment (both inside and outside of individual HMOs) and landlord/tenant behaviour will make a significant contribution to improving the health and wellbeing of the tenants and the wider community.

A strengthened partnership approach across Northamptonshire's statutory agencies will continue to achieve greater efficiencies when tackling substandard HMOs and any crimes that are committed by those running them or residing in them.

Collaboration between the Council, Northamptonshire Police, Northamptonshire Fire and Rescue Service, Trading Standards, Social Services and the UK Border Agency allows for pooled resources and shared outcomes.

Who will be affected and how:

Landlords of all licensable HMOs in the enhanced area of the borough

Landlords and letting agents that have an existing Additional HMO licence at the time the new scheme comes into effect will have their licence passported to the new scheme and will be automatically issued with a replacement licence under the new scheme, matching the duration of their existing licence at no extra cost.

Responsible landlords of well managed and properly maintained HMOs will be eligible for a reduced HMO licence fee and trusted to undertake more 'self-regulation' with less local authority intrusion.

Landlords who fail to license their HMOs on time will be required to pay more for their HMO licence and, when they are eventually issued with an HMO licence, the Council is likely to issue them with a shorter licence that lasts less than the standard term.

Criminal, rogue and irresponsible landlords of properties that are being managed 'sufficiently ineffectively' and/or are deemed not to be a 'fit and proper person' will be refused control of an HMO and may be subject to housing enforcement action including written warnings, notices and orders, civil penalties, prosecution and/or Interim Management Orders.

Tenants of HMOs in the enhanced area of the borough

Tenants living in substandard HMOs and households seeking private rented accommodation in the designated area will benefit from the reassurance that legal powers are in place to ensure HMOs comply with enhanced licencing laws.

The improvements will be achieved through the use of the Housing, Health and Safety Rating System, especially where a property is excessively cold / damp, lacks security or has trip or falling hazards.

Gas and electrical installations will be safe, fire precautions will be in place and overcrowding will be addressed.

Neighbouring residents, businesses and community groups

The proposed Scheme will provide the opportunity to apply bespoke licencing conditions to individual licence holders and properties. This will ensure that specific local or individual issues are addressed.

Improvements to the condition of HMOs and the environmental impact on the local neighbourhood will include the control of rubbish and waste (such as dumped white goods), the maintenance of communal areas, gardens, and forecourts, and anti social behaviour.

Northampton Borough Council tax payers

Taxpayers across the borough with benefit as the licence fees will cover the cost of administering the scheme.

The proposed additional HMO licencing scheme will complement the Council's use of Article 4 Directions in helping to control the quality and number of HMOs in particular areas of the borough thereby reducing the burden on the public purse.

Approximately how many people will be affected:

Landlords and tenants of:

- The 844 Licenced HMOs in Northampton including the 457 with a mandatory HMO licence and 387 with an additional HMO licence
- Approximately 960 licensable HMOs that the Council's intelligence indicates may be operating illegally without an HMO licence

Prospective investors:

- Between 2011 and March 2019. the Council received 426 planning applications for HMOs

Local residents:

- A large proportion of the following complaints related to HMOs or areas with high concentrations of HMOs (exact figures are not known)
 - 2,608 complaints about noise nuisance
 - 1,357 complaints about rubbish sacks and accumulation of refuse in gardens
 - 1,076 complaints about fly tipping

Expected date of decision:

16 October 2019

Scope/focus of the assessment:

Please outline the scope and focus of the assessment:

The assessment considers the possible impact on landlords and tenants of HMOs residents in the immediate locality, Council employees, and the community as a whole; within the additional licencing areas, and across the borough.

Community Screening Outcome

Will the proposal:	Yes/No
Eliminate discrimination, harassment or 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 towards health improvements or inequalities	Yes

Relevant data and/or research

Outline the information and research that has informed the decision:

Information and research includes:

- Priorities in Northampton Borough Council's Corporate Plan 2018-2020
 - Empowering local people – use community networks to highlight issues and bring neighbourhoods together to deal with them
 - More homes, better homes - make effective use of enforcement powers to ensure good standards in the private rented sector
 - Keeping the town and people safe – working effectively to uphold licencing objectives
 - Improving our governance – doing the right things, in the right way for the people of Northampton in an open, honest and accountable manner
- desktop research on legislation, regulation and preferred practice
- statutory, formal and informal consultation
- statistical analysis of local intelligence

Sources:

- The Housing Enforcement Team local intelligence database
- Homelessness JSNA Insight Pack August 2019
- Northampton Supplementary Planning Document (draft) July 2019
- Northampton Local Plan Part 2 (draft) 2019
- Office for National Statistics website
- Northampton Infographic February 2019
- Northamptonshire JSNA 2019
- A Study of HMO Policy (Northampton) - Loughbrough University 2018
- Public Health England Data 2017
- Social Isolation in Northamptonshire - Kent & Roberts October 2015

How will the decision affect people with different protected characteristics?

If approved, the proposed Scheme will have the potential to significantly improve the quality of HMOs in Northampton. Consequently, the proposed Scheme is likely to affect the physical, emotional, social, environmental and economic wellbeing of all groups within the wider local community.

Current service provision

What are you doing now:

There is an uneven distribution of HMOs across Northampton. There is generally an undersupply across the borough and demand is continuing to increase. Conversely, however, some areas have an over-concentration of HMOs.

Mandatory HMO licensing applies to all HMOs (in all parts of the borough) that contain five or more occupiers that form two or more households.

In 2014, under the Secretary of State's general approval, the Council introduced a five-year Additional HMO licensing scheme for a designated area of the borough. This was based on statistical evidence that was valid at that time.

The Additional HMO Licencing Scheme came into force on 3 November 2014 and will expire on 2 November 2019.

Rationale for change

What will you do if/when changes are agreed/introduced:

If approved, the proposed Scheme will provide the Council with the most appropriate range of tools to address the commonly interrelated issues associated with unlicensed HMOs in the localities concerned.

Identification of affected groups/individuals

List the groups/individuals that may be affected by the proposal:

Those who may be affected include people with or without one or more protected characteristics including:

- tenants of HMOs in Northampton or households seeking affordable private rented accommodation in Northampton
- vulnerable individuals, and those who are victims of hate crime
- private sector landlords and letting agencies
- homeless people and those threatened with homelessness
- people living, working or studying in the locality of poorly managed HMOs or where demand for HMOs outweighs current supply
- local Council Tax payers
- public sector service users
- statutory agencies and their employees
- local employers
- local businesses

Assess and/or undertake consultation

Has there been specific consultation on this decision (if not, state why not and/or when this may happen):

On 3 May 2019, the Council published a 'Consultation Report' and launched its 10-week consultation with the residents, groups, businesses and stakeholders who are likely to be affected by the proposed designation.

Details of the consultation and the proposed designation, together with copies of the Consultation Report, were publicised using a wide range of techniques and communication channels, including the Council's website, social media (Facebook and Twitter), The One Stop Shop, Landlords' Forum, briefings and focus groups, features and an advert in the local newspaper, e-mails to hundreds of known landlords, letting agents, resident associations and engagement with key stakeholders (including the Police, Fire Service and Immigration Service) and Council services (including Planning, Building Control, Environmental Services, Revenues & Benefits, Housing Options, Legal Services and the Anti-Social

Behaviour Unit).

Consultees included other regulatory bodies, landlords and letting agents, accredited landlords, tenants, University students, residents and residents groups, parish councils, business owners and, where necessary, residents and business owners who are not in the Northampton borough but whose homes or premises are adjacent to the new designation.

All consultees were invited to share their views on the proposed scheme via the completion of a survey which was organised online through Survey Monkey.

A series of focus groups and briefings were held with Councillors, landlords, letting agents, residents, residents' associations, the Gangmasters and Labour Abuse Authority, Northamptonshire Fire and Rescue Service, the University of Northampton, DASH (Decent and Safe Housing) and other stakeholders.

What conclusions have been drawn from the analysis on how the decision will affect people with different protected characteristics:

The results of the consultation are contained in the 'Report on the findings from the Consultation on the Designation of an Enhanced Additional HMO Licensing Scheme in Northampton'.

The demographic of those consulted included a higher proportion of people with one or more protected characteristic than the general population.

- 62% of respondents either strongly agreed or agreed with the proposed designation of an enhanced Additional HMO licensing scheme
- 31% of respondents expressed concerns about anti-social behaviour, parking issues and rubbish / fly-tipping associated with HMOs. (64% of these felt that the Additional Licensing Scheme would help to combat these)
- 13% of replies that supported the scheme mentioned that the proposal would introduce a degree of control and accountability and ensure that standards within HMOs would be met. The scheme would also provide good quality living accommodation which was important for tenants' health and wellbeing.
- 19% of respondents disagreed with the proposed designation of an enhanced Additional HMO licensing scheme. (The main reasons for them disagreeing was that they feel that HMOs are the cause of anti-social behaviour, parking problems and rubbish / fly-tipping issues)
- 6% of respondents did not directly agree or disagree with the proposed designation of an enhanced Additional HMO licensing scheme but expressed their disapproval of HMOs in the area.
- 6% of all respondents were concerned about how the Council will enforce the proposed scheme. (80% of these were in favour of the proposal)
- 3% of respondents said that there were too many HMOs
- 4% of respondents wanted all HMOs to be licensed.

Assessment of impact on staff

Please give details of impact on staff, including staffing profile if/as appropriate:

The impact on staff is anticipated to be largely positive due to the opportunity for continuing professional development and access to improved systems

There is the possibility that expanding the area covered by the Scheme will result in an increased workload for the Housing Enforcement Team

There may be an increased risk to the health, safety and wellbeing of the Housing Enforcement Team responsible for dealing with rogue and criminal landlords and disgruntled tenants

Assessment of impact on the wider community

Please give details of any impacts to the community as a whole:

Local Government has a responsibility to help ensure the safety, security and wellbeing of citizens and their communities. Appropriate licensing is one way to deliver on this responsibility.

Assess the relevance and impact of the decision to people with different characteristics

Relevance = High/Low/None

Impact = High/Low/Neutral

Characteristic	Relevance	Impact
Age	High	High
Disability	Low	High
Gender reassignment	Low	Low
Marriage and civil partnership	High	High
Pregnancy and maternity	Low	High
Race	High	High
Religion or belief	High	High
Sex	High	High
Sexual orientation	Low	Low
Other socially excluded groups (include health inequalities)	High	High

**when assessing relevance and impact, make it clear who the assessment applies to within the characteristic category. For example, a decision may have high relevance for young people, but low relevance for older people; it may have a positive impact on women but a neutral impact on men*

Please provide details:

Positive impact: Age

Children – health and wellbeing, fire safety

Children will be protected from living in overcrowded and/or unsafe conditions, and unlawful eviction, all of which are known to have a significant impact on their health, wellbeing and life chances

Young single people - protection from harassment, health and wellbeing, fire safety

Single people under 35 with limited financial means (including students and those claiming universal credit or housing benefit and affected by the shared room rate) are statistically most likely to live in an HMO and therefore most likely to benefit from improved conditions resulting from the Additional HMO licensing.

The average age range for HMO tenants is between 20-39. This age group represents approximately 30% of Northampton's population.

Older people – condition of property, health and wellbeing, safety social isolation, protection from eviction

National research shows that older infirm people are less likely to complain about unsafe housing due to the challenges associated with accessing alternative accommodation.

Poor living conditions have a disproportionately adverse effect on the health, wellbeing and life expectancy of older people. The negative impact increases with age.

Older people in urban environments are at most risk of feeling isolated and lonely and being affected by crime, the fear of crime and a lack of community resulting from an increase in HMOs that tend to be occupied short term and have a higher turnover of occupants than family homes.

Positive impact: Disabilities and learning difficulties – protection from harassment, health and safety, social isolation, fire hazards

People with disabilities, and learning difficulties in particular, are statistically at greatest risk of harassment, exploitation, accidents in the home and social isolation.

The proposed Scheme is likely to be of benefit to people with disabilities and learning difficulties.

Positive impact: Gender reassignment – protection from harassment, unlawful eviction

Data on gender re-assignment is not available at a borough level, but a Home Office funded study for the Gender Identity Research and Education Society estimated there are 300,000-500,000 transgender people in the UK.

The NHS Choices website estimates that one in 4,000 people in the UK are undergoing medical treatment to make the transition from one gender to the other.

Positive impact: Marriage and civil partnership – protection from harassment

Profiling information is not available at borough level

Positive impact: sexual orientation

Profiling information is not available at borough level

Positive impact: Pregnancy and maternity – protection from harassment, health and wellbeing, protection from eviction

Profiling information is not available at borough level

Positive impact: Race – protection from harassment, health and wellbeing, protection from eviction

The ethnic profile of the general population within Northampton is:

White 84.5 %

Mixed/Multiple Ethnic Groups 3.2%

Asian/Asian British 6.5%

Black/ African/ Caribbean/ Black British 5.1%

Other Ethnic Groups 0.7%

There is an over representation of mixed, multiple ethnic groups and Black/African/Caribbean/Black British and other ethnic groups on low incomes. Due to their low income, they are more likely to rely on HMOs to meet their need for affordable housing.

The positive impact of the proposed Additional HMO licensing scheme is likely to be highly relevant to these groups.

Positive impact: Religion or belief – protection from harassment, health and wellbeing, protection from eviction

Profiling information is not available at borough level

Positive impact: sex

Women

In Northampton the average female salary is £21,554 per annum, compared to an average male salary is £34,422 per annum. Due to their lower incomes, working women may be more reliant than working men on HMOs to meet their need for affordable housing.

Other socially excluded groups

Negative impact: Homeless households and those at risk of homelessness including care leavers, and those people leaving prison, approved premises and the armed forces

It is highly probable that some criminal, rogue and irresponsible landlords will decide (or be forced to) stop operating their HMOs.

Although this is an intended outcome, it may have an adverse effect on existing tenants and prospective tenants who are statistically at greatest risk of

homelessness due to past trauma or complex needs.

Fuel poverty in Northampton

Cold homes are linked to a range of health problems

Statistically the level of fuel poverty in Northants is significantly lower than the England average. However, there is a wide variation in deprivation index scores across the borough. The pockets with a high level of fuel poverty correlate to the distribution of HMOs. The proposed Scheme will have a positive effect on fuel poverty.

Mitigation of adverse impact on staff/service/people

Where any negative impact has been identified, please outline the measures taken to mitigate against it:

Staff

The risk of verbal abuse and aggression towards staff by disgruntled rogue landlords or concerned tenants will be mitigated through the application of a comprehensive health and safety policy including training, risk assessments and issuing personal safety devices.

Services

The possible adverse effect on service demand will be mitigated by the introduction of an on-line HMO licencing system and if necessary, the recruitment of more officers to manage the demand, funded by the recovery of fees and charges.

People

The potentially adverse effect on socially excluded groups being put at risk of homelessness by having to leave unfit premises will be mitigated by the use of Interim Management Orders and the increased investment in the supply of HMOs by good landlords (which is predicted to continue).

The potentially adverse effect on landlords who are subject to additional licencing and fees and charges will be proportionate, fair and transparent,

The Council has published an Amenities and Facilities Guide for Landlords, along with the policies on Fees and Charges, Civil Penalties and Housing Enforcement.

Only those who break the law will risk prosecution and financial penalties.

Publication of results

This Impact Assessment will be published on the Council's website

Monitoring and review

Please give details of how the changes will be monitored, and when the next review is due:

The Council and its partners will undertake regular monitoring and ongoing evaluation of the Designation of an enhanced Additional Houses in Multiple Occupation (HMO) Licencing Scheme through monthly management meetings, quarterly performance review meetings and periodic Landlord Forums.

Conclusion

There should be no unlawful discrimination arising from the decision.

Please state how “Due regard” has been taken to the equality duty, and public health considerations:

The detailed proposals within this assessment have due regard to the equality duty and public health considerations.

The actions seek to eliminate discrimination, harassment or victimisation, advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it, foster good relations between persons who share a relevant protected characteristic and persons who do not share it, and contribute towards health improvements and inequalities in Northampton.

Please advise on the overall equality implications that should be taken into account in the final decision, considering relevance and impact:

The overall equality implications that should be taken into account in the final decision are as follows:

- It is considered that an Additional Licensing Scheme for HMOs will have an overall positive impact for landlords, tenants, residents and businesses by the potential improvement to the condition and management of HMOs.
- The inspection and licensing of HMOs, together with the imposition of conditions as part of the licence, will help to ensure that they meet basic minimum standards including in relation to matters such as fire safety, overcrowding and the provision of amenities.
- There are potential benefits arising from the increased choice of high quality, well managed affordable housing.

Signed:

Phil Harris

Janice Nuth

Date:

30 April 2019 (Updated on 16 July 2019 and 3 September 2019)