

<b>Environment and Economy Overview and Scrutiny Committee</b>	
<b>Date of Meeting</b>	8 <sup>th</sup> October 2024
<b>Report Subject</b>	Additional HMO Licensing Consultation
<b>Cabinet Member</b>	Cabinet Member for Planning, Public Health and Public Protection
<b>Report Author</b>	Chief Officer (Planning, Economy and Environment)
<b>Type of Report</b>	Operational

## **EXECUTIVE SUMMARY**

Flintshire County Council's 2024/25 budget made provision for additional staffing to implement a new 'Additional Licensing' regime for Houses of Multiple Occupation (HMOs). Subject to the outcome of public consultation, this could mean that all houses of multiple occupation (HMOs) will need to be licenced.

Before such licensing arrangements can be introduced Flintshire County Council is required to consult with stakeholders.

## **RECOMMENDATIONS**

1	To consider and endorse the commencement of a formal consultation on 'Additional Licensing' for Houses of Multiple Occupation which will be open to the public and stakeholders.
2	To receive the outcome of the consultation exercise when it has been completed.

## **REPORT DETAILS**

<b>1.0</b>	<b>LEGISLATIVE BACKGROUND</b>
1.01	<p>The Housing Act 2004 introduced a duty for local authorities to operate a Mandatory Licensing scheme for certain types of HMOs which consist of:</p> <ul style="list-style-type: none"> <li>• Three or more storeys</li> <li>• With five or more occupants</li> <li>• Forming two or more households.</li> </ul> <p>The aim of Mandatory Licensing is to ensure that HMOs are properly managed by a 'fit and proper' person; that the premises are suitably</p>

	equipped with adequate amenities and facilities; and that fire safety arrangements are adequate.
1.02	Only a small number of HMOs in Flintshire fall within the mandatory licensing criteria. As of September 2024, there are fourteen HMOs that require such a licence.
1.03	The Housing Act 2004 also contains provisions to enable local authorities to extend their licensing scheme to other categories of HMO to address particular problems not covered by mandatory licensing, such as low standards in the private rented sector or anti-social behaviour. A licensing scheme that can cover all HMOs is called 'Additional Licensing'.
1.04	Section 56 of the Housing Act 2004 gives the local authority the power to either designate the area of their district, or an area in their district, as subject to additional licensing.
1.05	Section 63(3) of the Act states that the local authority may require a licensing application to be accompanied by a fee, fixed by the local authority.
1.06	<p>Before introducing such a scheme, the Housing Act requires the local authority to take reasonable steps to consult with those who are likely to be affected by the designation of an 'Additional Licensing' scheme. The local authority must also consider any representations received prior to implementation. It states:</p> <p style="text-align: center;"><i>Before making a designation, the authority must—</i></p> <p style="text-align: center;"><i>(a) take reasonable steps to consult persons who are likely to be affected by the designation; and</i></p> <p style="text-align: center;"><i>(b) consider any representations made in accordance with the consultation and not withdrawn.</i></p>
<b>2.0</b>	<b>THE BENEFITS OF ADDITIONAL LICENSING</b>
2.01	<p>The effective and efficient management of the private rented sector, and in particular HMO properties, has many benefits. It is anticipated that additional licensing could ensure greater compliance with legal housing requirements. Smaller HMOs, at present, only come to the attention of the Housing Enforcement Team when either a complaint is made about the property, or concern is raised by other professionals.</p> <p>Such a scheme could also identify where such properties are located in the county, which could assist wider policy development in areas, such as Planning.</p>
2.02	<p>In line with the Council Plan 2023-2028, introducing additional licensing will help support the Council's aims to:</p> <ul style="list-style-type: none"> <li>• Support the private sector to raise standards in the management and condition of housing and promote tenancy sustainment in our communities.</li> </ul>

	<p>The requirements associated with additional licensing will help to contribute to the Council Plan by:</p> <ul style="list-style-type: none"> <li>• Ensuring landlords and tenants are supported to sustain quality homes and well managed tenancies within the local private sector.</li> <li>• Maximising opportunities within the private rented sector for low-income households to live successfully Relieve pressures on homelessness services through better access to privately rented homes.</li> <li>• Raise living standards for tenants living in houses of multi-occupation.</li> </ul>
<b>3.00</b>	<b>AREAS TO BE CONSIDERED AS PART OF THE CONSULTATION</b>
3.01	<p>A public consultation exercise will be required to be undertaken if Additional Licensing is to be introduced. It is proposed that consultation is carried out with the following individuals, groups, and organisations:</p> <ul style="list-style-type: none"> <li>• Tenants/ Contract Holders</li> <li>• Landlords</li> <li>• Local Letting/ Managing Agents</li> <li>• Local Residents</li> <li>• Rent Smart Wales</li> <li>• North Wales Fire and Rescue</li> <li>• North Wales Police</li> <li>• Shelter Cymru</li> <li>• Elected Members</li> <li>• Other associated Council Departments (Waste, Homelessness Teams etc)</li> <li>• The Property Ombudsman</li> <li>• Flintshire Local Voluntary Council</li> <li>• Flintshire Citizens Advice Bureau</li> <li>• Neighbouring Local Authorities</li> </ul> <p>It should be noted that Rent Smart Wales holds data for FCC landlords and managing agents. This data can be used to target those who have properties registered in Flintshire.</p> <p>Other methods of reaching the community will be to communicate the message through the FCC website; to write to groups and organisations and where applicable, to carry out letter drops. Information can also be provided to Connect Offices, libraries, community centres and Town Community Councils.</p> <p>The consultation period will be required to last for a minimum of 10 weeks. After that period findings will be shared with Members.</p>
3.02	<p>It is proposed that the new licensing regime should include all types of HMOs that meets one of the following two categories that do not fall within the mandatory licensing scheme:</p>

	<p>a) Any type of HMO as defined by Section 254 of the Housing Act 2004 which:</p> <p>b) HMO properties which are defined within the scope of Section 257 of the Housing Act 2004. It relates to a building (or part of a building) which has been converted into, and consist of, self-contained flats. Buildings of this description are also classed as HMOs if;</p> <p>i. the conversion work was not done in accordance with 'appropriate building standards' and still does not comply with them, and</p> <p>ii. less than two-thirds of the self-contained flats are "owner-occupied."</p>
3.03	<p>For the reasons outlined above it is recommended that the additional licensing of HMOs is carried out across the whole county of Flintshire. This is because Flintshire has a wide and varied housing stock of HMOs throughout the county. The most common hazards related to the following areas:</p> <ul style="list-style-type: none"> <li>• Damp and Mould Growth.</li> <li>• Fire</li> <li>• Domestic Hygiene, Pests and Refuse</li> <li>• Electrical Hazards</li> <li>• Excess cold</li> </ul>

<b>4.00</b>	<b>RESOURCE IMPLICATIONS</b>
4.01	Budget has been allocated to recruit new officers to implement this scheme as there is no capacity within the existing service.

<b>5.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
5.01	As outlined in the report

<b>6.00</b>	<b>RISK MANAGEMENT</b>
6.01	This is a means of managing a housing associated risk due to an increase in compliance with the required standards once the regime has been established.

<b>7.00</b>	<b>APPENDICES</b>
6.01	None

<b>8.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
8.01	<b>Contact Officer:</b> Sian Jones, Community and Business Protection Manager <b>Telephone:</b> 01352 702132 <b>E-mail:</b> <a href="mailto:sian-jones@flintshire.gov.uk">sian-jones@flintshire.gov.uk</a>

<b>9.00</b>	<b>GLOSSARY OF TERMS</b>
9.01	Not required