



Review of Camden's Additional HMO Licensing scheme

Date: 8 June 2019

1. Summary

- 1.1. The council implemented a borough-wide additional house in multiple occupation (HMO) licensing scheme on 8 December 2015 to improve management standards. The council has a duty to undertake a review of any discretionary licensing scheme it has implemented to determine whether it is achieving the schemes' objectives. With the current scheme due to end in December 2020, it was deemed appropriate to undertake a review to inform a decision on whether to renew the scheme for a further 5 years.
- 1.2. Therefore a review of Camden's additional Houses in Multiple Occupation (HMO) licensing scheme designation was conducted between September 2018 and February 2019.
- 1.3. It shows that the licensing scheme has made good progress in improving standards in a large number of HMOs. However, there are still a significant number of properties that remain unlicensed and there are issues with non-compliance.

2. Introduction

- 2.1. Camden Council implemented a borough-wide HMO additional licensing scheme on 8 December 2015. The designation comes to an end on 8 December 2020 - 5 years after commencing.
- 2.2. HMOs are defined in the Housing Act 2004 and include houses and flats occupied by three or more people forming more than one household. Certain buildings converted into self-contained flats can also be HMOs. The additional licensing scheme extended the existing mandatory HMO licensing scheme, which only applies to larger HMOs, to include all other HMOs as defined in the Act.
- 2.3. Additional HMO licensing is intended to help the council tackle poor management, poor housing conditions and overcrowding in HMOs not subject to mandatory licensing by providing additional powers to regulate them.
- 2.4. The council has a duty to carry out a review of any discretionary licensing scheme it has implemented to determine if it is achieving the aim of improving management standards. As we are over half way through the additional licensing scheme this is an appropriate time to review the operation. The outcome of this review will help inform a future decision on the renewal of the scheme designation. The review is also intended to lead to service improvements within the remaining life of the existing scheme and for any future scheme. It is also a positive way of engaging with partners, both internal and external, landlords and tenants, and as such has the additional benefit of raising awareness of HMO licensing.
- 2.5. Camden was the first inner London borough to introduce borough-wide additional licensing. Since then six other inner authorities have introduced a borough-wide scheme with at least

one more due soon. This picture is reflected regionally and nationally. The GLA is actively encouraging London boroughs to introduce borough wide additional licensing schemes. As the private rented sector has increased rapidly in the last couple of decades, there is a growing recognition at national level that the private rented sector needs proper regulation. The Government have recently introduced a raft of new legislation to improve the rights of private sector tenants, including strengthening enforcement powers and the ability of tenants to take their own action, extending the definition of mandatory licensing, the introduction of a national minimum room size for HMOs, the banning of letting fees for tenants and most recently announcing their plans to abolish 'no fault' section 21 evictions.

3. Background

Legislative context

- 3.1. Under section 56(2), part 2 of the Housing Act 2004, a local authority can introduce an additional HMO licensing scheme where there is evidence that a significant proportion of the HMOs in its area are being managed sufficiently ineffectively as to give rise, or to be likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public.
- 3.2. The CLG in guidance produced in 2010 gave examples of properties being managed ineffectively. This list was not exhaustive, but included “those whose internal condition, such as poor amenities, overcrowding etc., adversely impact upon the health, safety and welfare of the occupiers and the landlords of these properties are failing to take appropriate steps to address the issues” and “those where the lack of management or poor management skills or practices are otherwise adversely impacting upon the welfare, health or safety of residents and/or impacting upon the wider community”.
- 3.3. In Camden, the additional HMO licensing scheme has extended the requirement to license to smaller HMOs occupied by 3 or more persons who form more than one household (section 254 of the HA 2004) and certain buildings converted wholly into self-contained flats (section 257 of the HA 2004). Section 257 HMOs are those where the standard of conversion does not meet the 1991 building regulation standard and where fewer than two-thirds of the flats are owner-occupied. For licensing purposes fewer than half of the flats should owner-occupied (CLG guidance (2010) stated that properties predominately owner occupied should not be licensed). Therefore in Camden, 50% or more of the flats must be privately rented.
- 3.4. This is in addition to mandatory HMO licensing which all local authorities must implement, which, put simply, applies to properties that are occupied by five or more persons forming more than one household.
- 3.5. Under s:60(3) local authorities must “from time to time review the operation of any designation made by them”. A decision to renew a discretionary HMO licensing scheme cannot be made until the existing scheme is properly evaluated. This report fulfils this statutory requirement.

Strategic context

- 3.6. Camden 2025 sets out the Council's vision for the future of residents and businesses in the borough:
 - 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.

- 3.7. The Council's response is set out in the Camden Plan 2018-2022:
- We will make sure that everyone has a sustainable roof over their head or is on a pathway to achieving this, minimising homelessness and rough sleeping.
 - 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.

- 3.8. We will deliver this by:
- Bringing people and agencies together to get things done
 - Opening up the council so all citizens can have a say
 - Working towards better and less expensive rents to prevent problems and intervene early

The private rented sector in Camden

3.9. The private rented sector (PRS) is the second largest tenure in England and has more than doubled in the last 20 years.

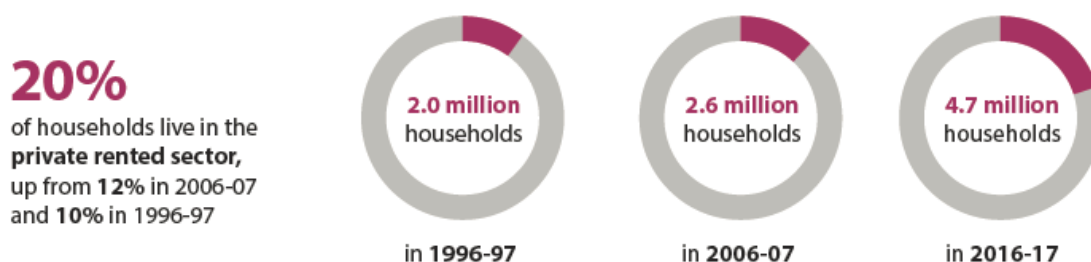


Fig. 1 – changes to PRS levels (England)

3.10. In Camden 32.2% of households live in the PRS (compared to London which is 25%). It is now only fractionally smaller than the owner-occupied sector which is 32.9% of households. This continues to be a growth sector with a significant increase in letting agents operating within Camden from around 300 in 2015 to almost 800 in April 2019.

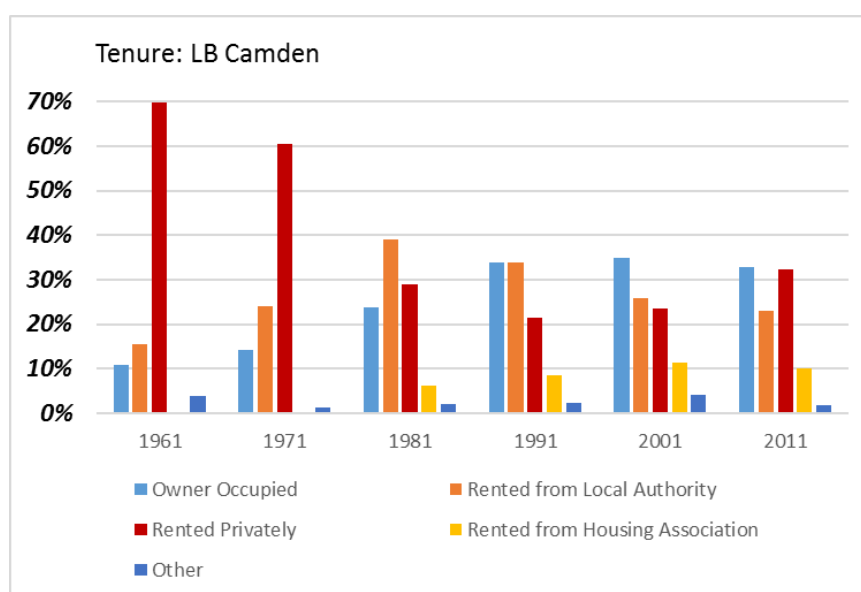


Fig. 2 – bar chart showing tenure over time

3.11. Good quality HMOs can provide a decent and affordable place to live. With rising rents, an increasing number of renters are having to share properties. Landlords are also looking to rent properties out to sharers as a way of maximising rents.

Rent levels in Camden

3.12. For many residents in Camden, HMOs provide affordable accommodation and as such, are an important part of the rental sector in Camden. Every part of Camden has areas of relative affluence alongside areas of poverty. Camden ranks among the 69 most deprived districts in England.

3.13. Overall mean rents rose 1% in September 2018 compared to September 2017. Rents had risen to peak in March/September 2015 at 23% higher than September 2011. They are now 17% higher than September 2011. The room rate stands out with a 40% rise over the past year.

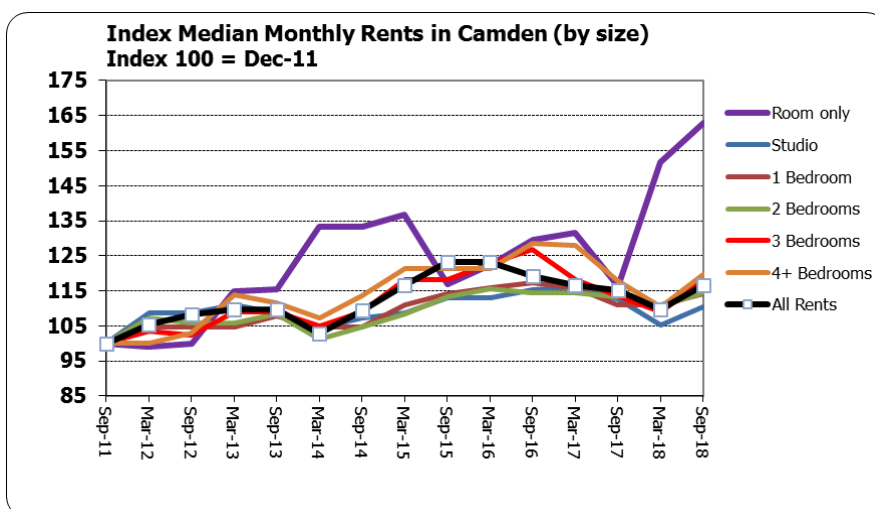


Fig. 3 – median monthly rents in Camden

4. HMO Licensing in Camden

Introduction and implementation of the scheme

4.1. The initial research carried out prior to the first scheme being introduced estimated there were approximately 5,000 - 8,000 HMOs within the borough. This is thought to be an under estimate, particularly because of the number of Section 257 HMOs.

4.2. The table below details the headline figures at the mid-point of the scheme (8 June 2018) and to date.

	8 June 2018	8 June 2019
HMO applications received	2,981	3,946
HMO licence inspections completed	2,067	3,009
Additional HMO licences granted	1,646	2,640

The full set of statistics for additional licensing and enforcement can be found in Appendix 1.

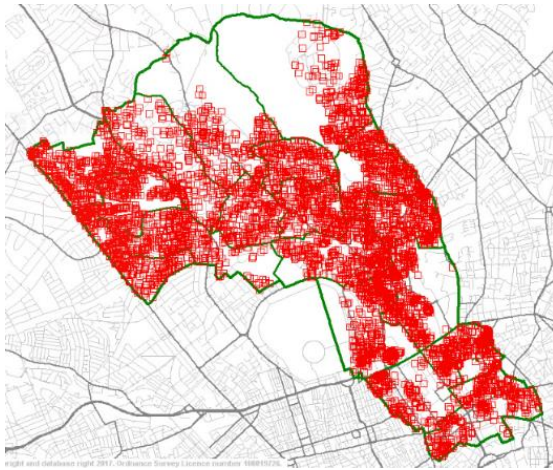


Fig. 4 – spread of licensed HMOs in Camden

- 4.3. Applications are made online. As part of the processing procedure an application must be verified. This involves carrying out essential background checks which include validating the submitted documentation, ensuring suitable management and funding arrangements are in place, ensuring the most appropriate person is the proposed licence holder, obtaining/checking details of all relevant persons and carrying out all ‘fit and proper’ checks.
- 4.4. Once validated, the HMO is inspected by an environmental health officer. Inspecting ensures that all necessary works are addressed during the licensing period and that the permitted number is an accurate reflection of the room sizes and facilities provided. It also allows an opportunity for tenants to be involved in the process as they are always notified of the visit. All licences are subject to a mandatory consultation period, which gives all interested parties the opportunity to make comments, before the final licence is issued.

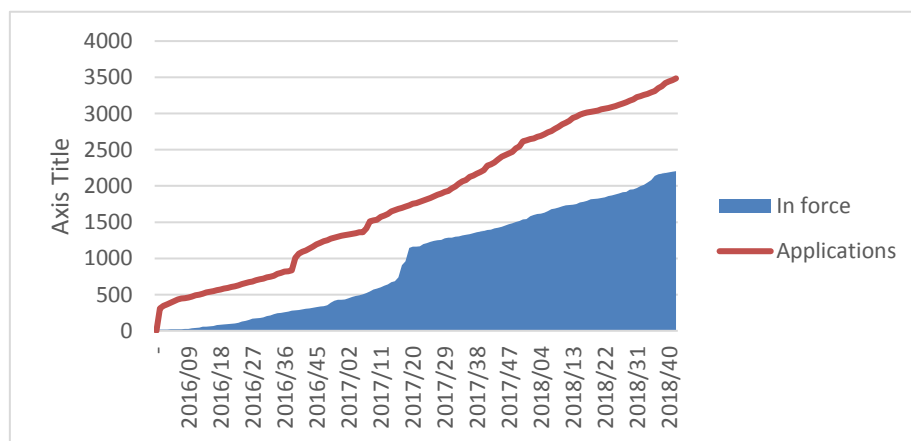


Fig. 5 – HMO additional licence applications/licences in force

HMO fees and charges

- 4.5. Local authorities operating licensing schemes are able to charge fees to cover the costs of their licensing scheme. Camden’s HMO Licensing fees are split into two parts:
 - Part 1 – Application fee – to cover the cost of processing applications received, including officer costs, compliance inspection.
 - Part 2 – Enforcement fee – to cover the cost of running and enforcement of the licensing scheme.

- 4.6. Licence fees have to be reasonable. They can be calculated against the actual cost of setting up the scheme, administering the applications and subsequent inspection and enforcement of the licensed premises over the whole five year period of the licence. The fee must only cover the costs of operating the scheme and it is for each local housing authority (LHA) to determine the fee payable in its area.
- 4.7. The application fees were initially set at £450 for the property with an additional cost of £45 per let. Since 2016/17 the fees charged have risen by a fixed percentage each year (Fig. 6). A detailed review of the fees in September 2018 demonstrated that the income derived from licensing fell short of achieving full cost recovery. This involved analysing the time taken to complete all stages of the application and enforcement, including staff costs. The review calculated the full cost recovery fee to be £1,3000 for an HMO with three lettings. In order to introduce the necessary increase in fees gradually, the fees were increased on 2 April 2019 to £750 for the property and £60 per let, with another increase forecast for 2020/21.

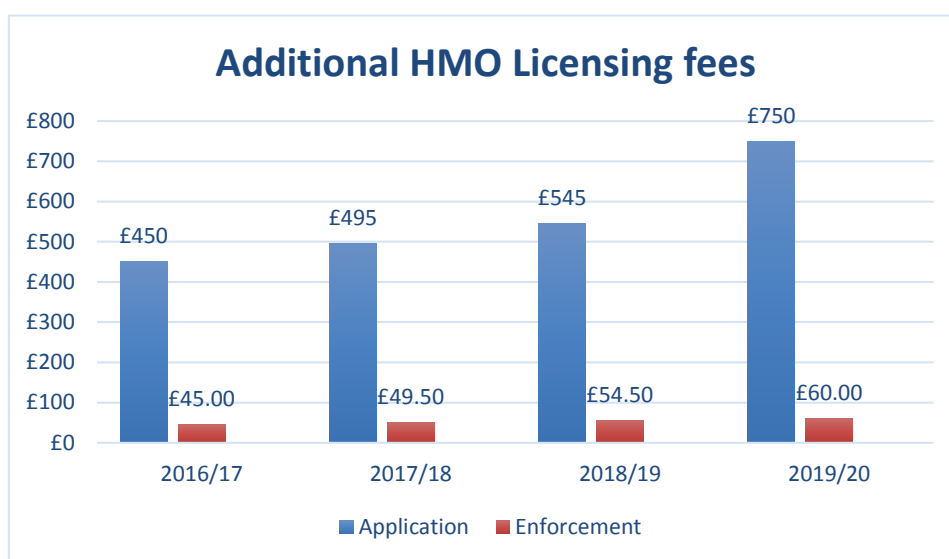


Fig. 6 – HMO additional licence applications/licences in force

- 4.8. A benchmarking exercise of London local authorities mandatory / additional HMO licensing schemes further supported the need to review licence fees and demonstrated that Camden's were substantially lower than the average (see figures 7 and 8 below). The fee increase for 2019/20 placed Camden's fees at or around the average of other authorities 2018/2019 fee levels.

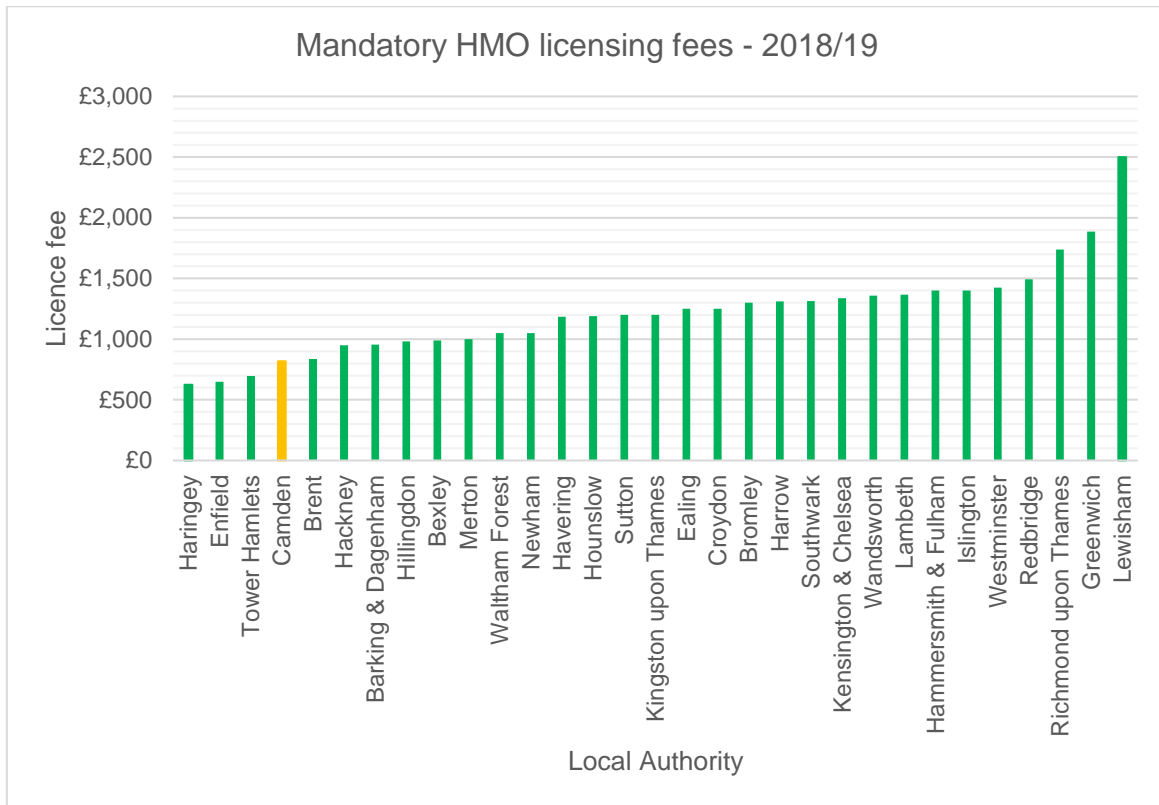


Fig. 7 – Benchmarking of Mandatory HMO Licensing fee (5 units) with all London Local Authorities 2018/19

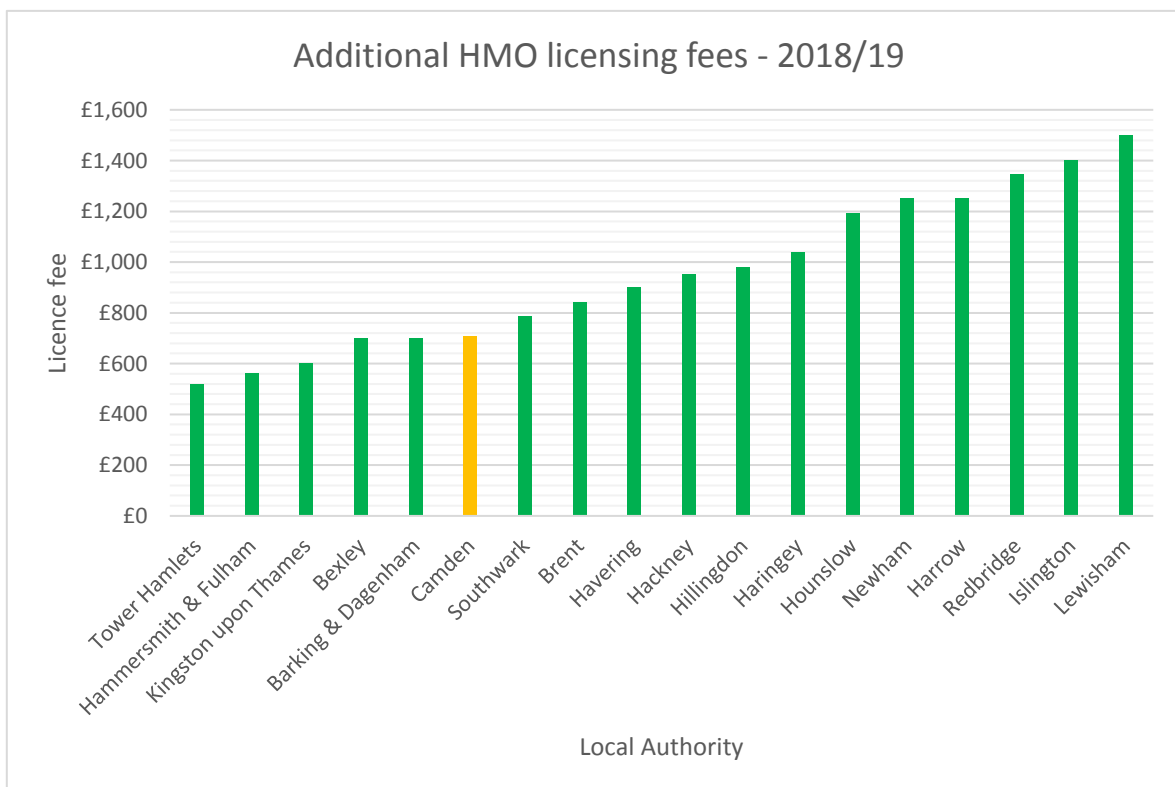


Fig. 8 – Benchmarking of Additional HMO Licensing fee (3 units) with London Local Authorities 2018/19

5. The effect of HMO licensing on private sector housing

HMO licensing

- 5.1. Licensing has provided a level playing field for all landlords by applying a set of minimum standards to all HMOs. These standards are clear and easy to understand and are available on the Council's website. A small number of managing agents (and portfolio landlords) have become familiar with the standards and have been able to make the necessary improvements to properties before the licensing inspection. Otherwise the necessary works are listed on the licence and a period of time up to a maximum of 2 years (depending on the impact on the health and safety of the tenants) is allowed for the works to be carried out.
- 5.2. 99% of the additional HMO licences contained requirements for works to meet the HMO standards. To date, an estimated 15,000 specific conditions have been added to licences requiring the licence holder to carry out works to bring properties up to the appropriate standard and to manage them effectively. This is in addition to the informative that is sent out with the licence, listing health and safety and management issues that, whilst they do not form part of the licence, are issues that the landlord is legally obliged to carry out. See Appendix 5 for photos showing some of the issues encountered at the initial licensing inspection.
- 5.3. See below for a breakdown of the most commonly required works on the licence:

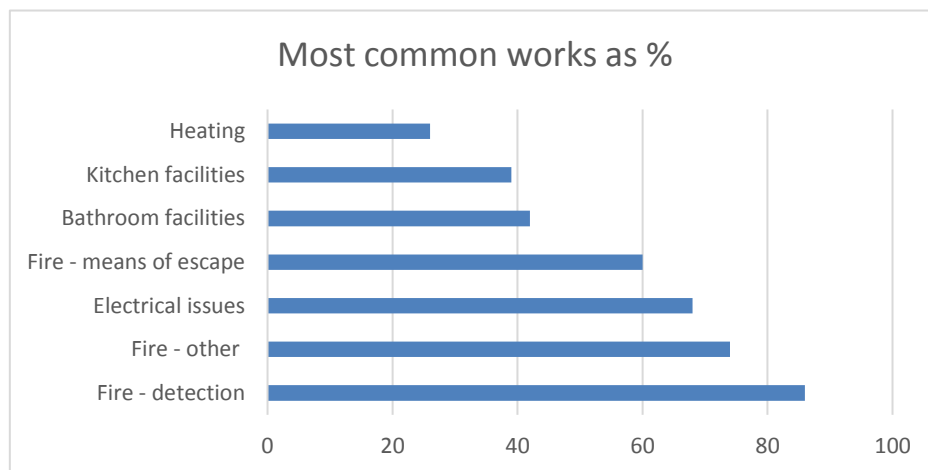


Fig. 9 – Breakdown of works required on licence

- 5.4. 64% of additional HMO licences were accompanied by additional requirements relating to the housing health and safety rating system (HHSRS) and management works. About one third of these had between 1-5 works listed and a quarter 6-10 works listed.
- 5.5. The five most commonly HHSRS hazards identified at the initial inspection are detailed below, with the findings at the time of the compliance inspection:

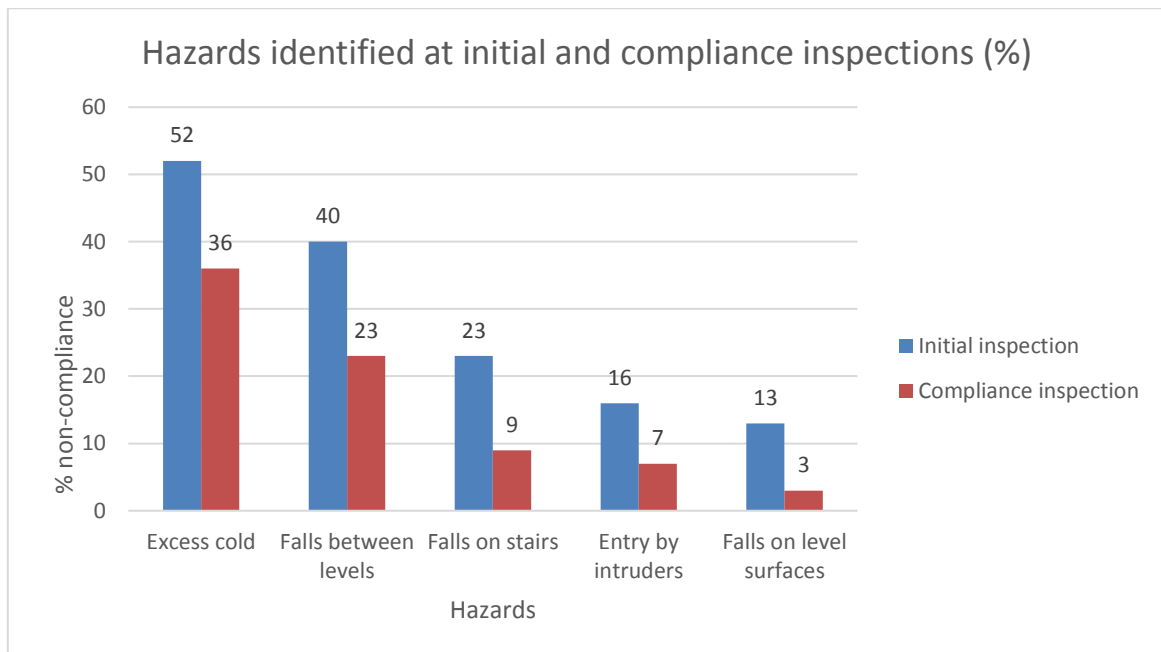


Fig. 10 – Breakdown of most common HHSRS hazards at initial and compliance inspections

- 5.6. At the time of the re-visit, 34% of the landlords had carried out all the works necessary, 38% more than half and 16% less than half. Importantly the fire hazard in these properties had been reduced by 60%.
- 5.7. In terms of the works actually carried out, the estimated amount spent on licensed properties by landlords to comply with requirements to date is £3,318,535, an average of £1,106 per property. The estimated amount saved to the NHS from alleviating the top 5 hazards in the home is estimated at £1.173 million.

Enforcement

- 5.8. In general, licensing has been a means of raising standards in HMOs without the need to take legal action. In most cases the Council tries to work with landlords to ensure compliance, but where this is not possible or where the works pose a serious risk to health, the private sector housing (PSH) enforcement team will take legal action.
- 5.9. Before the implementation of the HMO licensing scheme, the council was much more reactive to complaints and prosecutions were steady but not relatively high. Most legal action now relates to letting agents and landlords who are operating unlicensed or ineffectively managed HMOs. The licensing scheme has allowed the enforcement team to proactively focus on problematic types of property and also suspect portfolio landlords/agents. According to the GLA rogue landlord database LB Camden is now issuing more civil penalty notices and prosecuting more rogue landlords/agents than any other borough in London.
- 5.10. Camden is one of the few boroughs to use civil penalty notices as an enforcement measure on a large scale. It was noted in the second year of the scheme many agents did not start licensing until they had been subject to an investigation, prosecuted or received a civil penalty notice.
- 5.11. The PSH enforcement team have noticed the following effects:
- a large number of rogue landlord/agent networks have been exposed

- some of the worst criminal landlords/agents have been exiting the Camden rental market in response to the clampdown (although they do not feel there has been an effect on the better landlords).
- some long standing problematic landlords/agents have become more professional in their management practices and now carry out programmed improvements to their properties.
- the team have been able to tackle some of the 'oddities' in the housing market e.g. properties which are let by property guardians, rent to rent arrangements, so called 'lifestyle' clubs (i.e. tenancies are replaced by membership schemes) and 'sham' tenancies.

5.12. The range of enforcement options include:

- Prosecution under Housing Act 2004 (and associated regulations)
- Civil penalty notices (CPNs)
- Council led rent repayment orders (RROs)*
- Management orders
- Banning orders

Many of the above options are resource intensive but will be essential if Camden is to be seen as serious about addressing rogue landlords and letting agents operating in Camden's HMO's. The enforcement team have had no additional resources for this work to date but the recent review of the scheme (4.7 above) will enable additional resources to be allocated.

* Tenants are also able to make an application for a RRO if their landlord commits one of several specific offences relating to their home or tenancy, including a failure to licence. These no-longer depend on a landlord being prosecuted for the offence.

5.13. The enforcement policy can be found [here](#).

Trading standards

5.14. Camden's Trading standards team enforce a wide range of consumer protection legislation and work to protect consumers and legitimate businesses in the property sector. They look at unfair commercial practices and also enforce legislation relating to the redress schemes, client money protection and the recent Tenant Fees Act 2019 which prohibits most tenant fees charged by letting agents from the 1 June.

5.15. The team have worked successfully with PSH enforcement officers where they have focussed on sham tenancies and fraudulent business practices, mainly in HMOs. The team mainly impose fines using penalty charge notices (PCNs) and in more serious cases, can also apply to the County Court for an enforcement order.

5.16. Over the last nine months, nine PCNs amounting to £118,500 have been issued and six prosecutions have been taken in addition to support given to the PSH enforcement team and tenants pursuing RROs against their landlords.

Housing needs and homeless prevention team

5.17. The PSH team work closely with homeless prevention to deal with cases of harassment and illegal eviction and to inform and assist tenants at risk of homelessness.

- 5.18. It is difficult to obtain data on the levels of harassment and illegal eviction in HMOs because of the different case management systems. However, it is clear that as enforcement action has increased, liaison between the teams has improved and increased.
- 5.19. The PSH team has recently been successful in bidding for Controlling Migration Funds from the MHCLG to address rogue landlords exploiting migrant tenants living in dangerous and unlicensed HMO's. The funding will enable the recruitment of a multi-disciplinary team including a tenancy relations officer to lead on rent repayment orders for harassment and illegal convictions.

Landlord accreditation

- 5.20. Camden manages and operates the London Landlord Accreditation Scheme (LLAS) on behalf of all London local authorities. The scheme was launched in 2004 to recognise good practice and improve conditions within the private rented sector. The scheme is voluntary and currently has over 36,000 members.
- 5.21. LLAS provides a one day basic training course on tenancy and property management which leads to accreditation. Landlords must also follow a code of conduct and be a fit and proper person. Individual landlords receive a discount on the licensing fee equivalent to the accreditation fee.
- 5.22. The number of LLAS accredited landlords increased in the run up to the introduction of the licensing scheme but appears to have stayed at the same level since the introduction of the scheme.

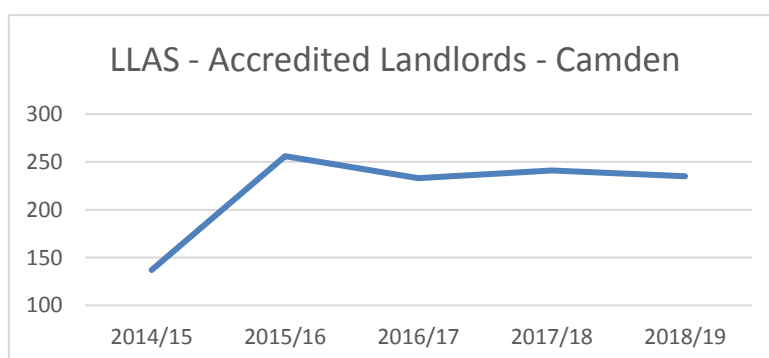


Fig. 11 – No. of LLAS accredited landlords in Camden

6. Review findings

- 6.1. The review of the current scheme was conducted over the following time periods:
- Series of compliance inspections – October 2018 - January 2019 (88 properties inspected)
 - Landlord survey - August - November 2018 (77 completed responses)
 - Tenant survey - August - November 2018 (43 completed responses)

The landlord survey was publicised through the HMO landlord newsletter, the Council's website, on all emails generated in the private sector housing team, at the landlord and agent event and through the accreditation scheme. The tenant survey was more difficult to publicise but we used the London student accommodation services, Camden Federation of Private

Tenants, flyers left at inspections and social media. Whilst the number of responses was a little disappointing we feel that they are generally representative of the views of landlords and tenants. However, it is acknowledged we need to do more work to successfully engage with tenants.

See appendices 2, 3 and 4 for the issues arising, summary of the open comments from landlords and recommendations.

6.2. The key findings of the review were:

6.2.1 Property improvements:

- 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 the Housing Health and Safety Rating System
- 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

6.2.2 Tenants:

- The compliance survey indicated 74% of licences had not been brought to the attention of the tenant
- 56% of tenants who responded to the survey knew that landlords who rented shared housing should have a licence
- 49% of tenants taking part in the survey said they did not know if the property they lived in had a licence
- 54% of tenants who responded to the survey were in favour of licensing (19% were not)
- 16-26% thought licensing was improving management, safety standards, noise/nuisance/rubbish or the reputation of private renting in Camden
- 42% of the tenants responding said they had experienced problems with their landlord since 8 December 2015 (when licensing was introduced) citing harassment the most

Note: The response to the tenant survey was very low and we have little information on which tenants responded and how they heard about the survey. It indicates there is a need to engage more effectively with tenants in future consultations.

6.2.3 Landlords:

- In descending order, the main ways in which landlords found out they needed a licence were:
 - professional organisation (26%)
 - letter in the post (21%)
 - word of mouth (19%)
 - Camden website (17%)
 - from the owner or managing agent (14%)
- 8% of landlords of licensed properties lived overseas
- 25% of licensed properties were ex-local authority
- 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 licensing had improved understanding (39% thought it had not)
- Improved HMO conditions - 39% thought licensing was 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)

6.2.4 Complimentary initiatives and partnerships:

- The additional licensing scheme has enabled better collaboration with internal and external colleagues and partners, and also better engagement with the landlord and agent community.
- We used existing and new partnership networks to engage the key stakeholders in order to assess the effectiveness and impact of the scheme. These included:
 - Meetings with internal colleagues – November 2018 – May 2019
 - Meetings with PRS external stakeholder group - 8 November 2018, 27 March 2019
 - HMO landlord newsletter – 27 September 2018 (Autumn), 14 February 2019 (Winter)
 - HMO landlord and agents events - 4 October 2018, 4 April 2019
 - Mailing to all managing and letting agents in Camden – August 2018

6.2.5 Feedback from internal stakeholders:

- Between January and May, the impact and effectiveness of the HMO licensing scheme was discussed at the team meetings of environmental services, leaseholder services, PRS placements, planning enforcement, pest control, PSH enforcement team, food safety team, trading standards, pollution team, council tax, community safety and building control.
- There was generally a low level of awareness of the scheme amongst other teams, the main exceptions being trading standards and council tax who are more actively engaged with the PSH enforcement team. Team discussions were generally enthusiastic and useful and have resulted in more referrals. Unfortunately there is no way of capturing the actual number of referrals from other departments.

6.2.6 Feedback from external PRS stakeholders:

- The external attendees of this meeting are CAB, Shelter, Mary Ward Legal Centre, Camden Law Centre, Safer Renting, London Fire Authority, Camden Neighbourhood Policing Team, University of London Housing Services and Camden Federation of Private Tenants. Council representatives are HMO licensing, PSH enforcement, trading standards and homelessness prevention.
- These meetings sought to share good practice and provide a valuable opportunity for the Council to raise awareness of current initiatives. The meetings happened regularly in 2014-2015 during the run-up to the implementation of additional licensing scheme and were resurrected in November 2018. It is planned to hold these meetings quarterly and to invite guest speakers to talk on relevant topics and

well as all parties providing updates. The meeting on 27 March 2019 had 3 different perspectives on Rent Repayment Orders (RROs) (the PSH enforcement team, a leading law firm often representing landlords and a community interest group representing tenants).

- Feedback from this group has been positive and the meetings are well attended:
 - Flat Justice – “Camden’s ‘Rent Repayment Order: A Tenant’s Guide’ is the best out there”.
 - Camden Federation of Private Tenants – “Camden are so far ahead of the game when compared to other local authorities”.
 - General comment that no other local authority has regular partnership engagement meetings like Camden.

6.2.7 HMO landlord events and newsletter:

- These initiatives have been very well received and have provided platforms to engage positively with landlords. There are over 3,000 licensed landlords and managing/letting agents on the current mailing list. They are used to inform landlords and agents of changes to national legislation, local initiatives, how to become better at managing and maintaining properties and their legal responsibilities. The key message is that we want to work positively with good landlords but will take robust enforcement action against landlords who avoid their legal responsibilities.

6.2.8 Health and housing in Camden:

- Healthwatch Camden published a report in May 2019 regarding the impact of housing on their health in response to residents raising the issue. They focussed on private renters. They found that housing issues are contributing to high levels of stress and anxiety which are detrimental to mental health, not only because of health and safety issues, but also poor relationships with landlords and neighbours, and rent and security of tenure. They also found that there is a low awareness and uptake of available support services.
- The report recommended that health and housing should be integrated at both strategic and service delivery level, that support services should be easier to find and use (particularly for private renters), and that GP practices should play a more active role in signposting.
- Whilst the report did not look at HMOs in particular, by addressing management standards and improving standards, it is clear that HMO licensing can only have a positive impact on the health and well-being of tenants. However, there is clearly scope to develop stronger links with our public health partners and local health care service providers.
- The report can be found [here](#).

7. Conclusions

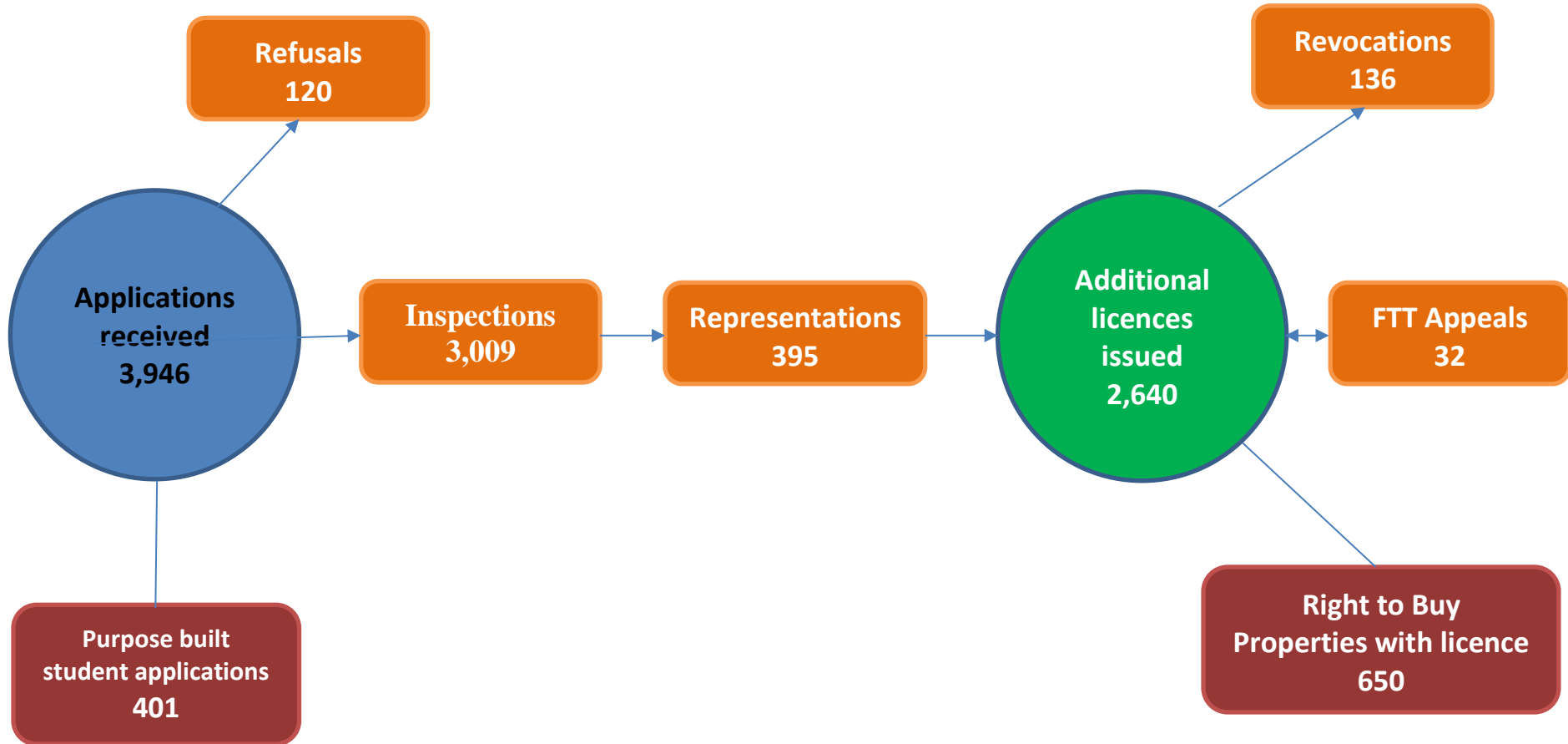
- 7.1. It is clear from the review of the scheme that additional HMO licensing is having a positive impact on improving property and management standards within Camden - ultimately improving the safety, comfort and well-being of tenants.

- 7.2. However, despite the scheme being in place for several years there remains a core group of rogue landlords and agents that seek to exploit vulnerable tenants for financial gain. Whilst the enforcement team are actively pursuing these landlords there is still more to be done.
- 7.3. There are still a significant number of HMOs (in particular section 257 HMOs) that have not yet licensed. On the basis of our original estimate of 8,000 HMOs within Camden that would be subject to additional licensing, there are still 5,000 remaining. However, it is thought this might be an underestimate because of the number of section 257 HMOs. A database of HMOs, including section 257s, is currently under development. An intelligence driven and targeted campaign is required to encourage those that haven't licensed to come forward, backed up by robust enforcement.
- 7.4. The rates of compliance are not as good as they need to be and more work needs to be done to encourage all landlords (in particular managing agents) to ensure all work required is completed within the necessary timescales.
- 7.5. HMO licensing is acknowledged to be a long term strategy and the scheme was never intended to provide instant solutions. It is an evolving scheme and we want to learn from the experience of the last 3 years and the feedback we have received from landlords and tenants.

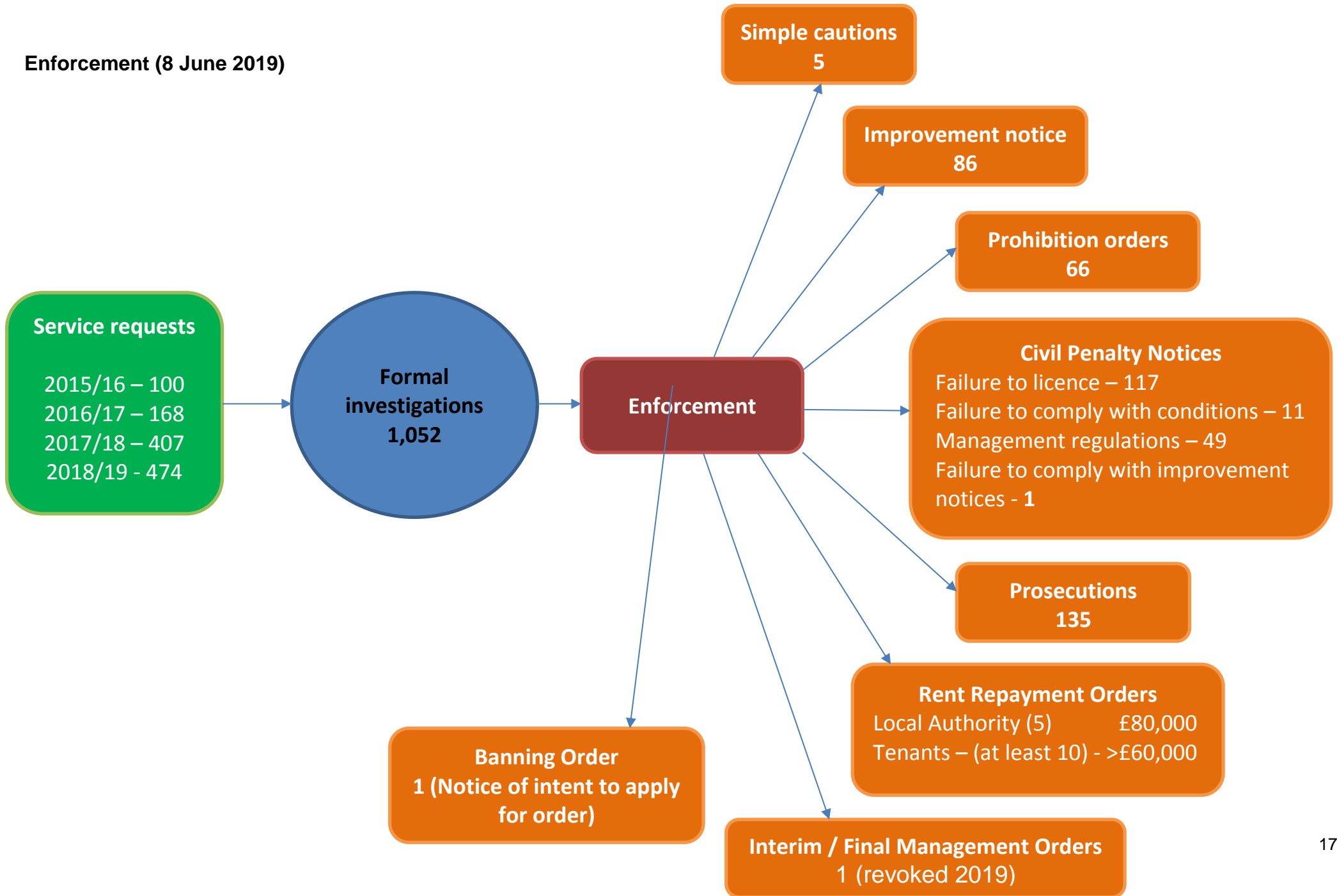
Paper ends

Appendix 1 – Additional licensing and enforcement statistics (8 June 2019)

Additional licensing



Enforcement (8 June 2019)



Appendix 2 – Issues arising from compliance inspections

Application

- EPCs missing
- Poor floor plans

Standard conditions

- Do not notify us of material change in circumstance in respect of the licence holder, manager etc.
- Do not notify us of changes to construction or layout, e.g. living room to bedroom, roof extension etc.
- Do not display the licence (nor otherwise bring it to the tenant's attention).
- Existing tenants have moved into undersized rooms

Works

- Managing agents not ensuring works carried out.
- Inconsistencies between officers
- Works on informative that should be on licence
- Lack of awareness of works in HHSRS/management informative
- Some landlords only did work once we had contacted them and before visit
- Not reading room tables – using undersized rooms

Specific recommendations for managing agents:

- Managing agents – ensure have processes in place (e.g. ensure licences are logged and monitored)
- Need to read the licence from front to back
- Pay attention to the permitted number and room tables, ensure undersized rooms are not re-occupied
- Ensure all works necessary are carried out satisfactorily and in the time period required
- Notify where properties are sold
- Notify where managing agents change
- Notify where changes to layout or use of rooms
- Bring the licence to the attention of the tenants (e.g. display in the property and give to tenants)
- Routine visit regularly (3mth recommended, max 6 mth)

Appendix 3 - Landlord and Agent survey - “what do you think would help us improve our service?”

50 written comments/suggestions were received. Several landlords made multiple comments. No. of comments relating to the same issue are shown within ().

Comments:

General

- The scheme penalises the good landlords (6)
- There should be more prosecutions of bad landlords (2)
- There should be more policing of the scheme (4)
- Tick box exercise (1)
- Stop sending newsletter/mailings (1)
- More use of newsletters etc. (1)
- Criticism of the landlord and agent survey form (1)
- Stop the additional licensing scheme (3)
- Smaller properties should not be treated the same as larger ‘traditional’ HMOs/included in the scheme (5)
- Different system for S:257s with small common parts (1)

Minimum standards

- General criticism (2)
- Electrical sockets (2)
- Room sizes (5)
- External ventilation to kitchen (1)
- Changing the goalposts (2)
- More officer discretion (2)
- Not enough consultation on minimum standards with landlords (1)
- Going beyond what was intended by Government (3)
- Confusing when local authorities have different schemes/standards (2)

Process

- Process too slow/less paperwork/leaner process (3)

Fees

- Fees too high (1)
- More transparency re fees (2)
- It is a tax on landlords (2)
- Lower fees for single property resident landlord (1)

Staff

- Helpful staff/knowledgeable staff (3)
- Lack of consistency/more training for staff (2)

Suggestions:

- Model property as example of what to achieve, more help and guidance (2)
- More guidance on health and safety issues (1)
- Provide ways of reporting landlords who do not licence (1)
- Leaflet all homes in Camden (1)
- Use tenant websites more e.g. rightmove, spareroom.com (1)

- Works required should have fast track approval from LBC departments e.g. leaseholder services/building control/planning (1)
- Give alternative options to landlords where there is a problem (1)
- Keep applicants updated on progress of application + work to specified timescales (1)
- Enable licensing through Camden account portal (1)
- Flow diagram of the licensing application process (1)
- More information about the licensing scheme should be given to tenants (1)
- Concerns about renewal (1) [e.g. sufficient notice e.g. 3-6 mths; do not require another inspection; do not add any more minimum standards]

Quotes:

“I found the experience very uplifting. I have been a moving advertisement for HMO licences. I keep telling my fellow landlords friends that there is nothing to fear and so much to be gained by becoming a licensed property manager. There would be a vast amount of knowledge and expertise to be tapped into. People who have spend years gathering information on how to run a safe and risk free property will guide confused landlords on how to turn a badly managed property into a pleasant and safe places to live. I ask my fellow landlord friends weather they will live or allow their own children to live in a place if it not safe or comfortable. Some friends are beginning to think I work for the Local Authority.”

“I believe it is just another tax on landlords which seem to be persecuted by all and sundry.”

“It is confusing for landlords and council officers when each area has a different set of rules.”

“There will remain a section of HMOs that are unlicensed and in a poor condition. I think that the focus should be on these. Instead, Camden, along with others simply puts greater pressure on those landlords that are doing the right thing.”

“Be more reasonable with minimum room sizes and plug sockets in the bedroom as I feel this is too much.”

“I found the team helpful on the phone so please keep it up – it can’t be easy at times!”

“Whilst the HMO licensing scheme makes sense to tackle rogue landlords, the rigid implementation simply penalises those who are trying to stay within the rules.”

Appendix 4 – short to medium term improvements

These are some examples of improvements to address issues that came up during the review and whilst engaging with internal and external stakeholders:

- More initiatives with managing and letting agents e.g. service level agreement, consumer panels, regular mailings, training
- Review HMO standards
- Encourage robust applications e.g. rejection of incomplete applications, contact information for licence holder + manager.
- Review licence fee, ensure compliance with European Service Directive
- Improve licence format
- Consider granting of shorter licences where management is found to be poor
- More investment in IT and data warehousing capability
- Robust enforcement where necessary, increasing use of fit and proper, IMOs, banning orders
- Targeting of areas with poor property conditions – e.g. Kilburn High Street, Camden High Street, Cricklewood Broadway, Kentish Town Road etc.
- Better engagement with tenants
- Greater efficiencies in inspections
- Develop and improve website content

From the survey, landlords tell us that we should:

- Provide more guidance to landlords about the application process, works that may be needed on the licence and the health and safety works
- Inform tenants about licensing
- Use online renting sites to identify properties
- Speed up the process, keep landlords informed of progress of application, specify timescales
- Work with planning, leaseholder services and building control
- Provide ways to report rogue landlords
- Give plenty of notice when the licence needs to be renewed
- Review the minimum standards to make less onerous
- Not inspect again on renewal
- Applications could be through the Camden account portal
- More publicity e.g. leaflet all homes in Camden

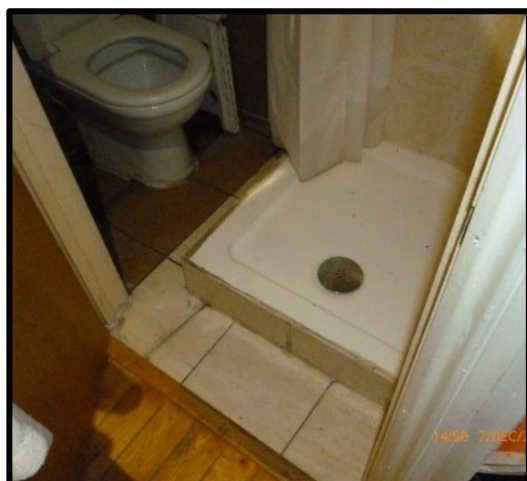
Appendix 5 - photos of issues found at initial HMO licence inspection



Sunken bath with restricted headroom and smooth floor tiles. Likely to result in trips/falls



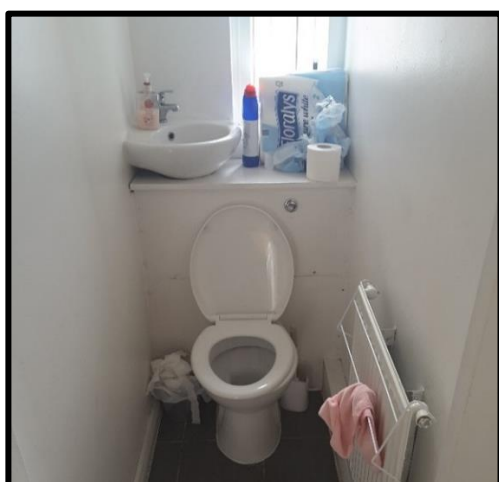
Shower mixer controls located outside of shower cubicle + dangerous wiring



Tenant needs to step across shower cubicle to access WC



Wash hand basin located inappropriately within shower cubicle



WC wash hand basin located inappropriately behind WC



WC cistern for flat located in common parts due to space limitations, resulting in breach of fire separation of wall



Inappropriate stacking of floor standing fridge freezer above washing machine



Open plan kitchen to means of escape stairs



Inappropriate compact kitchen unit for use by tenant



Trailing extension cable across floor and overloading of sockets creating trip and fire hazards



Inadequate room sizes – proximity of cooking facilities to bed

