

REFERRAL FROM IMPROVEMENT & REVIEW COMMISSION – HOUSE IN MULTIPLE OCCUPATION TASK AND FINISH GROUP REPORT

Members: Councillor R Gaffney (Chairman of the Improvement & Review Commission) and Councillor D Barnes (Chairman of the Houses in Multiple Occupation – Task & Finish Group).

Wards Affected: All

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PROPOSED DECISION

To consider the recommendations of the Improvement & Review Commission in respect of Houses in Multiple Occupation as featured below

Reason for Decision

The Commission seeks the approval of the Cabinet to the recommendations from the Houses in Multiple Occupation Task and Finish Group, as agreed by the Improvement and Review Commission.

Executive Summary

1. The Improvement & Review Commission established a Task and Finish Group which has explored, over the last 6 months, the standard of HMO's across the District, the current effectiveness of statutory legislation and voluntary codes utilised by Wycombe District Council in respect of HMO's and explored the benefits of the extension of licensing of HMO's beyond that required by statute, the cost effectiveness of such and whether this would result in better standards of provision.
2. As a result the Task and Finish Group arrived at some 6 recommendations for the Executive to consider, these were endorsed by the Commission meeting of Wednesday 14 January 2015. A presentation on the work and findings of the Task and Finish Group will be given at the Cabinet meeting.

Recommendations

3. The Improvement & Review Commission at its 14 January 2015 Meeting agreed the following recommendations to Cabinet in respect of the Council's Houses in Multiple Occupation policies:
 - a) To carry out a Housing Condition Survey for the Wycombe District in 2015/16 at a cost of up to £50,000;

Reason for this Recommendation

The last survey was undertaken in 2008 and there is no current assessment of the number or condition of houses in multiple occupation in the District. This is required to provide an up- to-date and accurate database for the implementation of the

additional licensing policy in recommendation (b).

- b)** To implement an Additional Licensing Policy in respect of all Houses in Multiple Occupation across the District from 2017, on a self-financing basis from fees, after the initial start-up costs of £150,000;

Reason for this Recommendation

- Increase in quality of HMO's provided is imperative given increasing role of HMO's in housing provision
 - New HMO's as a result of licensing will enter market at the standard set by the Council, giving improved benefits for occupants and the surrounding area
 - Opportunity to tackle anti-social behaviour and neighbourhood issues associated with HMO's
 - Resultant comprehensive register of HMO's would enable more efficient enforcement
- c)** To compile and implement a Supplementary Planning Policy in 2015 in respect of Houses In Multiple Occupation for whole District resulting in a co-ordinated approach between Planners, Housing and Environmental Officers of the Council to achieve a significant improvement in standards of Houses in Multiple Occupation, at an estimated cost of up to £7,500;

Reason for this Recommendation

To support the additional licensing policy by seeking to raise the quality of HMO provision (room sizes, amenity space, car parking provision, etc.) and therefore better integrate them within the areas they are provided.

- d)** To allocate additional resources from 2017/18 to carry out the increase in enforcement work resulting from an Additional Licensing Policy, at an estimated annual cost of £150,000;

Reason for this Recommendation

The cost of enforcement cannot be recovered from the fees for the additional licensing scheme, but this is an essential aspect to ensure that all HMOs are of a consistent standard.

- e)** That budget provision be made to implement the above recommendations, on a cost-neutral principle, whilst recognising upfront funding will be required (and subject to precise details of the scheme) as follows:

2015/16 £132,500*

2016/17 £75,000*

2017/18 £150,000 (recurring)

- f)** That the appropriate Cabinet Members be requested to work up the detailed scheme based on the above recommendations for implementation in accordance with the above timescales.

(*£75,000 from each year is recoverable from licensing scheme income over 5 years).

Background and Issues

4. The Houses in Multiple Occupation Task and Finish Group was set up by the Improvement & Review Commission on 18 June 2014 with the following Terms of Reference:
 - To establish the level of provision, in both quantity and quality of Houses in Multiple Occupation within Wycombe District;
 - To consider the current effectiveness of statutory legislation and voluntary codes utilised by Wycombe District Council in respect of HMO's; and
 - To explore the benefits of the extension of licensing of HMO's beyond that required by statute, the cost effectiveness of such and whether this would result in better standards of provision
5. The Group Membership was as follows:

Chairman: Councillor Dominic Barnes

Vice-Chairman: Councillor Ian Bates

Membership:

Councillor Roger Colomb

Councillor Alan Hill

Councillor Steve Lacey

Councillor Mrs Wendy Mallen

Councillor Trevor Snaith

Councillor Roger Wilson

6. The following Investigations and visits were carried out by the Group:

Wednesday 25 June 2014

- Scoping Meeting

Tuesday 8 July 2014

- Visit to Slough Borough Council
(Restricted Additional HMO Licensing Scheme Chalvey Area)

Friday 11 July 2014

- Visit to Aylesbury Vale District Council
(introducing a District Wide Additional HMO Licensing Scheme)
- Visit to Milton Keynes Council
(recently rejected both a Selective and an Additional scheme they had scoped)

Tuesday 9 September 2014

Visit from

- Justin Bootland
Accommodation Officer, Buckinghamshire New University
- Jon Crellin
Thompson Wilson & Wycombe Landlords Forum

All keen advocates of Additional Licensing

Tuesday 23 September 2014

Visit from

- Adrian Chowns, Oxford City Council
(introduced a Citywide additional Licensing Policy)
- WDC Planning Officers
- WDC Environmental Health Officers
- WDC Building Control Officers
- WDC Legal Officers

7. The Group agreed that the Council needs to take more action as sub-standard Houses in Multiple Occupation were proving to be a growing issue affecting more and more urban (and rural) wards.
8. The issue was undermining the Council's vision of ensuring Wycombe District is economically strong and the place to live, work and visit because:
 - It puts a brake on economic growth
 - It detracts from the District as a destination
 - It gives the area a poorer reputation
9. The Group believed that Wycombe District could either:
 - Raise standards to make all HMO properties and make tenants safer in better neighbourhoods, or
 - Watch our residential areas decline with some inadequate HMO premises and have to deal with the consequences.
10. In tackling the Houses in Multiple Occupation situation some key issues had to be considered:

- Establishing the exact number of HMO's in District? (2000?), with no legal obligation to carry out stock condition survey (all housing public and private) since 2008 Wycombe District Council had no exact idea of the number of HMO's in the District.
- Different interpretation given to HMOs from Planning, Environmental Health and Housing perspective together with mandatory licensing conditions made any current or proposed enforcement difficult to define and effect.
- Any additional licensing scheme, after set up costs, should pay for itself, but wouldn't (and can't legally) pay for resultant further enforcement work.
- The option of adopting a 'Selective' Scheme would cover all rented properties (i.e. HMO's **and** houses/flats with own bathroom / kitchen rented to families or individuals).
- An 'Additional' Scheme would cover all HMO's but could be further restricted to an area or type of HMO
- Consultation had shown a variation in the length of licences issued by other authorities (Aylesbury Vale – 5 years licences, Oxford – 1 year licences).
- HMO's are, and will be, an essential part of the District's housing stock.
- Additional licensing was often seen as key to improving standards in the sector.
- Any such licensing must be co-ordinated with planning, housing, homelessness and ASB (Anti Social Behaviour) strategies, if adopted.
- Any recommendation for additional licensing must contain funding for resultant increases in enforcement
- Current poor quality HMO's are a drain on resources, they provide significant risks to residents and neighbouring properties and need to be managed effectively

11. The Group considered various resultant options:

- Selective Licensing Policy (all HMO's and One household Private Rented Properties)
- Additional Licensing Policy – all HMO's across district
- Restricted Additional Licensing Policy all HMO restricted to an area or type of HMO
- No licensing policy but increase enforcement by Environmental Health Officers (Housing, Health & Safety Rating System inspections, enforcement and prosecutions)

Conclusions/ Recommendations

12. An Additional Licensing Policy for all HMO's across the District was chosen because it would improve the quality of HMO's provided, which was considered imperative given the increasing role of HMO's in housing provision. Additionally

it would enable all new HMO's (and existing), as a result of licensing, to enter the market at the standard set by the Council.

13. The Licensing policy was seen as an opportunity to tackle Anti-Social behaviour and neighbourhood issues associated with HMO's and the comprehensive register of HMO's (compiled as a result of licensing) would enable more efficient enforcement.
14. In terms of estimated costings; an Additional Licensing Policy (ALP) (on a Cost Neutral Principle i.e. self-financing) would have start-up costs in the region of £150k. The ALP scheme will be self-financing in that costs would be covered by income (Oxford £740k income p/a 6,000 HMOs -Aylesbury Vale £50k income p/a 600 HMO's).
15. The start-up costs include the costs of full and thorough consultation as prescribed under ss.56(3) and 80(9) of the Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2010, and which must be of at least 10 weeks.
16. However the resultant increased enforcement work would require around 3-4 FTE (Full Time Equivalent) officers at £150k per annum.
17. In respect of the other important supporting work, the Housing Condition Survey would have a one off cost in region of £40 to £50k dependent on whether carried out alone, or in partnership with neighbouring district councils. Whilst a supporting Supplementary Planning Policy would have a one off cost circa £7.5k

Next Steps

18. Obviously all subject to Cabinet approval and funding, the timescale for implementation would see a phased approach:

Phase 1

- Housing Condition Survey 2015
- Supplementary planning advice 2015

Phase 2

- Additional Licensing Policy work (2 year preparation 2015 – 2017)

Background Papers

Held in Democratic Services.