

**11<sup>th</sup> September 2018**

**Community, Health and Housing Committee**

**Mandatory licencing of HMOs (houses in multiple occupation)**

*Report of:* David Carter

*Wards Affected:* All

*This report is:* Public

**1. Executive Summary**

- 1.1 The Government has introduced changes to the requirements for mandatory licensing of houses in multiple occupation (HMOs) with effect from 1<sup>st</sup> October 2018
- 1.2 The effect of the change is to require mandatory licensing of all HMOs occupied by five or more persons in two or more households. Previously mandatory licencing was required for properties of three storeys or more.
- 1.3 Brentwood Borough Council therefore needs to incorporate the additional properties into the existing system for HMO licensing

**2. Recommendation(s)**

- 2.1 Members approve the proposal to incorporate licensing of additional HMOs under the changes to mandatory licensing into the existing system**

**3. Introduction and Background**

- 3.1 Mandatory licensing of HMOs was introduced in 2006 and originally applied to properties of three storeys or more with five or more people making up two or more separate households living in them. Approximately 60,000 large HMOs have been licensed in the country, with currently 25 licenced properties in Brentwood.
- 3.2 Demand for HMO accommodation has increased nationally with more two storey properties being used as HMOs. Following consultation, the Government decided to extend the requirement for mandatory licensing to

all properties with 5 or more people in two or more households, incorporating a minimum bedroom size and provision of refuse disposal.

#### **4. Issue, Options and Analysis of Options**

- 4.1 Guidance has been issued by the Government on the reforms to HMO licensing under the Licensing of Houses in Multiple Occupation (Prescribed Description) (England) Order 2018, the Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018, and the Housing Act 2004.
- 4.2 From 1<sup>st</sup> October 2018 mandatory licensing will no longer be limited to three or more storey properties, but will also include properties with one or two storeys
- 4.3 Licences are currently issued for a period of five years. The fees for a new licence and for renewal of licences was set at £840 and £570 respectively from 1<sup>st</sup> April 2018.
- 4.4 It is proposed that the licences for properties that now require a mandatory licence from 1<sup>st</sup> October 2018 are set at the same level as previously charged as the process will remain the same for these properties. We will also continue to operate the same checks and inspections as previously undertaken.
- 4.5 Landlords of HMOs that fall under the new definition will be committing a criminal offence if they fail to apply for a licence or temporary exemption by 1<sup>st</sup> October 2018.

#### **5. Reasons for Recommendation**

- 5.1 To comply with the changes to legislation and to facilitate processing of new applications for one and two storey properties

#### **6. Consultation**

- 6.1 The Government has undertaken extensive consultation prior to the introduction of the new licensing provisions

#### **7. References to Corporate Plan**

- 7.1 Planning and Licensing

- 7.2 Provide advice, support and enforcement to ensure that Brentwood is a safe place to live

## **8. Implications**

### **Financial Implications**

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- 8.1 Fees and charges have already been set for this financial year 2018/19, this report proposes no changes to the agreed fees, but requires a mandatory Licence set at the same fee, to incorporate the additional requirements.

### **Legal Implications**

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- 8.2 The 2018 Order changed the definition of an HMO requiring licensing to premises occupied by 5 or more persons and occupied by persons living together in 2 or more separate households and which satisfy various standards contained in the Housing Act 2004, effectively widening the types of properties subject to local authority licensing requirements as set out in section 55 of the 2004. The recommendations of this report are therefore a legal obligation of the Council.

**Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

- 8.3 None identified

## **9. Background Papers** (include their location and identify whether any are exempt or protected by copyright)

- 9.1 None

## **10. Appendices to this report**

- 10.1 None

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