

RECORD OF EXECUTIVE DECISION

Tuesday, 19 February 2013

Decision No: (CAB 12/13 9338)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	CABINET MEMBER FOR HOUSING AND LEISURE SERVICES
SUBJECT:	LICENSING SCHEME FOR HOUSES IN MULTIPLE OCCUPATION - CONSULTATION RESULTS AND FINAL APPROVAL
AUTHOR:	Paul Juan

THE DECISION

- (i) To note the outcome of a full consultation, which has taken place in accordance with the Housing Act 2004
- (ii) To approve the designation of Bevois, Bargate, Portswood and Swaythling wards as being subject to additional licensing, requiring all houses in multiple occupation (HMOs) to be licensed, apart from section 257 HMOs and buildings exempted by Schedule 14 of the Housing Act 2004, to take effect on 1 July 2013 for a period of five years
- (iii) To agree that Cabinet will consider approving a further designation covering the entire City as being subject to additional licensing of houses in multiple occupation from 1 July 2016, subject to an evaluation and further consultation, as appropriate and further decision of Cabinet in due course.

REASONS FOR THE DECISION

1. The evidence shows that a significant proportion of houses in multiple occupation (HMOs) in Bargate, Bevois, Portswood and Swaythling wards 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.
2. This includes serious problems with poor property conditions, poor management and antisocial behaviour, which are not being adequately addressed through the Council's Mandatory Licensing Scheme (which only covers HMOs comprising three or more storeys and occupied by five or more people) and other enforcement and regulatory measures.
3. The Council has considered other courses of action, including the use of existing powers under the Housing Act 2004, but has determined that these will not be as effective in dealing with the problems in question.
4. Making the designation will significantly assist the Council in dealing with the

problems in question without increasing homelessness or the number of empty properties. In conjunction with other courses of action, it will enable the Council to focus initially on those areas with the most serious issues and, with costs borne by landlords, will give the Council the resources it needs to robustly tackle problems and improve management and standards. This would be a proportionate response to address community concerns about the local impact of HMOs whilst ensuring safe, good quality privately rented accommodation is available to meet housing needs.

5. All reasonable steps have been taken to consult persons who are likely to be affected by the designation and representations have been considered.
6. As a result of representations made during the consultation and a review of the evidence available, it is considered appropriate to evaluate the success of the scheme in Bevois, Bargate, Portswood and Swaythling wards during its first three years of operation, before designating other areas of the City, or the entire City, as being subject to Additional Licensing, as appropriate. Any distortion of the market in undesignated areas will be actively monitored and existing enforcement tools will continue to be used in those areas.
7. A minimum of three months is legally required between making a designation and it coming into force. An additional month is considered prudent to appoint and establish the new team and allow sufficient time for promotion.
8. Delegating authority to the Senior Manager, Regulatory Services, for any changes required to the Council's HMO licensing policy or procedures, and to the Head of Legal, HR and Democratic Services to undertake such actions necessary to enable the successful delivery of the scheme, subject to the appropriate consultation, will help ensure its smooth implementation from 1 July 2013. The Senior Manager, Regulatory Services, already has delegated authority under the Officer Scheme of Delegation to determine and alter as necessary a scale of reasonable fees for the licensing of HMOs, in consultation with the relevant Director.

DETAILS OF ANY ALTERNATIVE OPTIONS

1. That the Council manages issues associated with HMOs without any Additional Licensing designations. The Article 4 Direction now means that planning permission is required for all new HMOs in the City, but this does not apply to existing HMOs. A 'virtual HMO' team, made up of all Council services involved in regulating HMOs, has targeted enforcement effectively, but the proposals would enable a more proactive approach in those wards with the worst problems and will assist the Council in dealing with HMO issues.
2. Section 57(4) of the Housing Act 2004 requires the Council to consider alternatives to licensing that might provide an effective method of dealing with the problems in question. An evaluation of the following options was carried out and is reproduced as part of the evidence submitted in chapter 4 of Appendix 1: do nothing, reactive inspection programme, proactive inspection programme, landlord accreditation scheme, use of Management Orders, use of the Article 4 Direction and City wide licensing.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

Recommendations from Overview and Scrutiny Management Committee, 19th February 2013 were received and noted:

On consideration of the briefing paper relating to the forthcoming Cabinet Decision “Licensing Scheme for Houses in Multiple Occupation – Consultation Results And Final Approval” the Committee welcomed the introduction of the licensing scheme but, urged the Cabinet Member for Housing and Leisure Services to:

- a. involve all wards where the 10% threshold of Houses of Multiple Occupation has been reached (including the Bassett ward) in initial the roll out of the scheme; and
- b. ensure that the Council’s default position, subject to evaluation, is to roll out the scheme Citywide by 2016, and earlier if market distortion is detected.

CONFLICTS OF INTEREST

The Leader, Councillor Williams, declared a personal interest and left the room for this item.

CONFIRMED AS A TRUE RECORD

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 19th February 2013

Decision Maker:
The Cabinet

Proper Officer:
Judy Cordell

SCRUTINY

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council’s Scrutiny “Call-In” provisions.

Call-In Period expires on

Date of Call-in (*if applicable*) (*this suspends implementation*)

Call-in Procedure completed (*if applicable*)

Call-in heard by <i>(if applicable)</i>
Results of Call-in <i>(if applicable)</i>