

**Proposed Additional Licensing Scheme  
for  
Houses in Multiple Occupation.  
Consultation 2023**

**HAVE YOUR SAY**

We are consulting on a proposal to introduce a new borough-wide additional licensing scheme for Houses in Multiple Occupation – Have Your Say

Houses in Multiple Occupation (HMO) are an important, much needed source of accommodation in our rented sector. We want our HMO accommodation to be good quality, safe and well managed. Whether you are a private tenant, landlord, local resident, or business, we want to hear from you.

We really welcome your views, as they are important to us. You can view and respond to the consultation by the **12<sup>th</sup> February 2024** by following the link below.

<https://www.haringey.gov.uk/hmo-consultation>

**Additional HMO Licensing Consultation Proposal  
November 2023**

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## **1 Executive Summary**

Haringey Council wishes to consult and seek the views of tenants, landlords, residents, and all other stakeholders in relation to a proposed new additional licensing scheme for Houses in Multiple Occupation (HMOs).

Houses in Multiple Occupation (HMOs) form a vital part of the private rented sector in Haringey, often providing cheaper accommodation for people whose housing options are limited. Some HMOs are occupied by the most vulnerable people in our society. Most HMO accommodation in Haringey was not built for multiple occupation, and therefore the risk of overcrowding and fire can be greater than with other types of accommodation.

The nature of HMOs means that the regulation of this part of the sector is widely agreed to be necessary. Local Councils can introduce additional HMO licensing to improve the management and standards of HMO in their borough.

Haringey Council has had an additional licensing scheme for HMO accommodation across its borough since 2019. This has meant that any person letting an HMO in Haringey, must have a licence. The proposed new scheme will replace the current additional HMO licensing scheme.

It is proposed that the new scheme will continue to cover the whole of the London borough of Haringey and will last five years.

If, after the consultation, a new HMO licensing scheme is still found to be the best option, this recommendation will need to be approved by the Council's cabinet. If approved, we anticipate that the new scheme will commence in or around May 2024 when the current scheme expires.

## **2 Background Information.**

The Government sees the private rental sector as having an important and long-term role in meeting the housing needs of the nation. One of the key powers available to local authorities to improve property standards and management practices in this sector, is through licensing powers given to local authorities in the Housing Act 2004.

The Housing Act 2004 (Part 2) introduced licensing for property rented as an HMO.

- Mandatory licensing for Houses in Multiple Occupation (HMO) exists for all HMOs occupied by five or more tenants where there is some form of sharing an amenity.
- Discretionary Additional HMO licensing for smaller HMOs occupied by less than 5 persons and any converted block of flats where the standard of the conversion does not meet the relevant building standards (Building Regulations 1991), where fewer than two-thirds of the flats are owner-occupied.

Additional HMO licensing can be introduced to a designated area where there is evidence that a significant proportion of those HMOs are poorly managed and give rise to problems for residents.

There are a number of statutory exemptions for additional HMO licensing which can be found in Schedule 14 of the Housing Act 2004. These can be found at [www.legislation.gov.uk](http://www.legislation.gov.uk).

In order to designate an area for an additional HMO licensing scheme, a consultation period must take place.

### **3 Why does the council want a new scheme?**

The Council's vision through our current Corporate Delivery Plan 2023-24 is for a borough where everyone has a safe, sustainable, stable, and affordable home. One of the fundamental principles of property licensing is to ensure that residents who live in the private rented sector have access to this. [LB Haringey Corporate Delivery Plan 2023-24](#)

It is estimated that HMO accommodation makes up around ten percent of the overall private rented sector in Haringey. HMO accommodation poses greater risks to tenants, and when poorly managed can have a significant impact on the local community.

We consider now, more than ever, to be the right time to have a new additional HMO licensing scheme in Haringey, especially considering:

- the legacy of the Covid 19 Pandemic is still being managed,
- the current cost of living crisis is affecting so many of our households,
- HMO accommodation is such a much-needed source of accommodation,
- evidence suggests that a significant proportion of landlords are still non-compliant.

In February 2019, the Council's cabinet approved an additional HMO licensing scheme designation for the whole of Haringey's borough. This scheme is due to end on 26<sup>th</sup> May 2024. In order to continue to be able to use licensing powers to deliver and maintain improved housing, a new scheme would need to commence.

The existing 2019 HMO licensing scheme designation has allowed us to see the benefits of having borough-wide HMO licensing in Haringey. Some of these benefits include, but are not limited to the following:

- It has provided much needed information on the number, type and location of HMO property that exists within our borough.
- We know that at least 65% of the HMO population in Haringey is made up of property that require additional HMO licencing.
- It has identified lots of unlicensed Mandatory HMO properties as part of our targeted activity to find unlicensed additional HMOs.
- Additional licensed HMOs in the borough have been added to the existing public register of licenced mandatory HMOs. Information that can be viewed by the public and those looking

to rent. Property can be searched using the HMO register which is available on the Council's web site. [HMO licensing register](#)

- It has given us a database of licence holders, a named person who is responsible and accountable for the property at all times, allowing for a quicker resolution to complaints.
- It has identified some of the deficiencies within this sector through both the application process and through compliance inspections.
- It has developed a streamlined programme of compliance and enforcement against those who fail to rectify identified deficiencies.
- It has given many tenants protection from illegal eviction.
- It has enabled us to enforce against rogue landlords who have failed and refused to voluntarily come forward and licence with the council.

Improving conditions within HMO accommodation and maintaining the quality and management of this type of housing have been the main objectives of having an additional HMO licensing scheme in Haringey. We also want to create a cultural change in how this sector is perceived by tenants and residents, as well as trying to create a more positive relationship between the Council and our landlords and letting agents.

We recognise that to achieve and maintain change within a 5-year period was always going to be challenging. The Covid-19 Pandemic was also a challenge we had not planned for and has impacted on our proactive compliance programme. We have however made particularly good progress and remain committed to building on the achievements we have made so far. We are therefore optimistic about the future prospects that having a new additional HMO licensing scheme could bring to our borough.

Not having the further powers provided by this type of additional property licensing, would mean us having only limited options and resources available to protect private tenants and ensure landlords behave responsibly. As the scheme is financed by licence fee income, it can help to support the resources required to ensure improvements are made within HMOs.

A key benefit of the licensing scheme is that it enables the Council to take a proactive approach to ensuring compliance with poor property conditions. In particular it helps to proactively identify at-risk properties and then undertake inspections. Without a licensing scheme proactively identifying poor property conditions or management, we would be dependent on a resident notifying the Council of an issue. This proactive approach is particularly important given that some of the residents living within HMO accommodation may be more vulnerable, transient and may have less regular contact with Council officers. For instance, they may be representative of the marginalised communities that live in Haringey such as being recent arrivals, or where English may be a second language.

The HMO licensing application process and the set of HMO licensing conditions that licence-holders must comply with, are a means of safeguarding tenants and improving regulation overall, by providing:

- The ability to refuse to licence a property where the landlord has a history of criminal convictions or who are otherwise found not to be fit and proper.
- Variations to the licence period where there are concerns about non-compliance or poor management.
- The ability to ensure rented homes are safe by requiring current gas and electrical safety certificates as a licence condition.
- Conditions that require landlord/licence holders to provide 24/7 contact details to ensure that both tenants and the Council can solve problems in an emergency.
- Providing specific powers to control overcrowding in HMO properties.
- Conditions to tackle anti-social behaviour by imposing a requirement on the licence holder to investigate problems in their properties, such as noise nuisance and bad behaviour, instead of leaving it solely for the Council to resolve.
- Specific obligations on the property licence requiring the licence holder to be more accountable when their tenants do not manage waste and recycling and to prevent fly tipping and illegal dumping.
- Training and other support services to the considerable number of non-professional landlords who operate in the borough.
- A licensing framework with penalties and obligations which largely prevent criminal landlords from operating on any scale.
- A better framework to support renters who are facing tenancy management issues and greater support for those tenants wishing to pursue Rent Repayment Orders (RRO), against landlords who have failed to licence. Both of which continues to be an aspiration of our licensing scheme and one we wish to improve.

Notwithstanding the good outcomes achieved to date and the detailed benefits of having Additional HMO licensing as a tool to regulate this sector, evidence remains that “a significant proportion of HMO are still poorly managed and give rise to problems for residents.”

#### **4 Evidencing the need for a new scheme.**

Haringey Council has commissioned Metastreet Ltd to produce a report that specifically reviews HMOs in the borough and assesses the stressors related to this private rented sub-tenure.

To produce this report Metastreet have used Haringey property-related intelligence and known data from our existing mandatory and additional HMO licensing schemes. This has provided the Council with both an overview of this sector as a whole as well as identifying key outcomes in relation to the current additional HMO licensing scheme designation.

##### **4.1 What HMO requires licensing?**

Houses in Multiple Occupancy (HMO) identified as part of this study have been divided into two main categories and three separate licence types.

1. The first category are HMOs that share basic amenities (Housing Act 2004, Section 254) that have been licenced under either mandatory or additional licensing powers.

2. The second category are converted properties with multiple flats that share common parts which are generally defined as less than two thirds owner-occupied that have been licensed under section 257 Housing Act 2004.

Any HMO meeting the following criteria requires a **mandatory licence** in Haringey:

- Dwellings inhabited by five or more occupiers, residing in two or more distinct households, and sharing common amenities like a kitchen or bathroom. This regulation applies irrespective of the number of floors.
- Self-contained flats located within a building comprising up to two flats. If either or both of these flats are inhabited by five or more individuals from two or more separate households, licensing is mandatory. Sometimes known as Flats in Multiple Occupation (FMO)

Any HMO meeting the following criteria requires an **additional licence**:

- Dwellings inhabited by 3 or 4 occupiers, residing in two or more distinct households, and sharing common amenities like a kitchen or bathroom.

Any HMO meeting the following criteria requires a **Section 257 licence**:

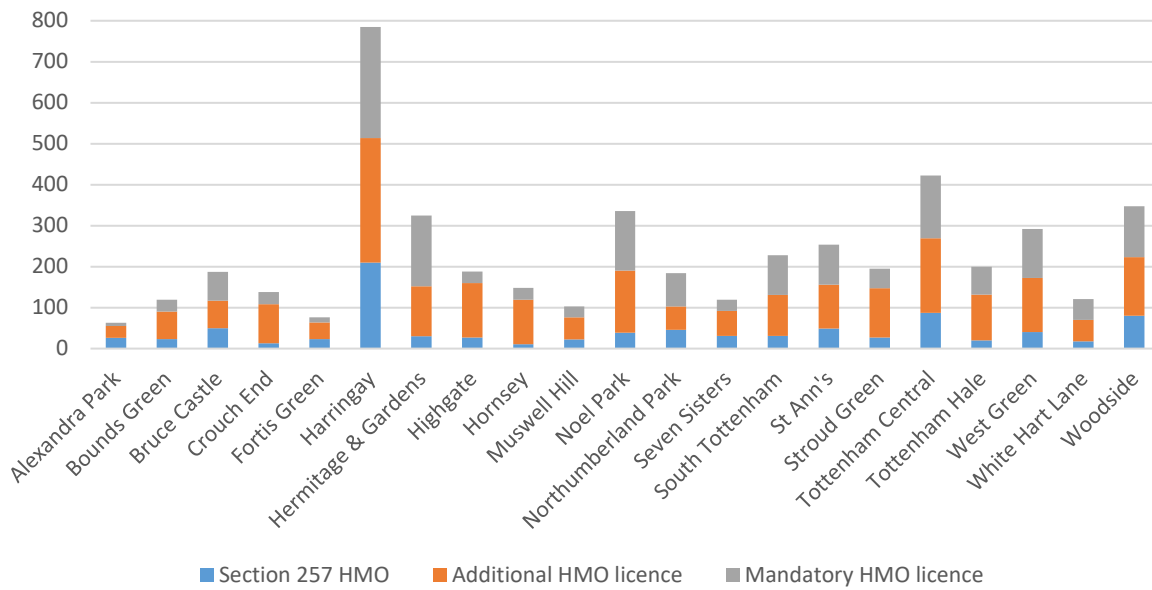
- A converted block of flats where the standard of the conversion does not meet the relevant building standards (Building Regulations 1991).
- Fewer than two-thirds of the flats are owner-occupied.

The intelligence detailed in this stressors report will enable the Council to support the development and delivery of a new additional HMO licensing scheme and allow us to have a targeted approach to tackling poor housing. The full report; London Borough of Haringey- Houses in Multiple Occupation: Housing Stock Condition and Stressors Report 2023 can be found in Appendix 1 of this document.

## 4.2 HMOs in Haringey

HMOs in Haringey are made up of two main categories (as described above). There are 3,927 licensed HMOs that share basic amenities and 903 converted properties, making the current number HMOs in Haringey 4,830.

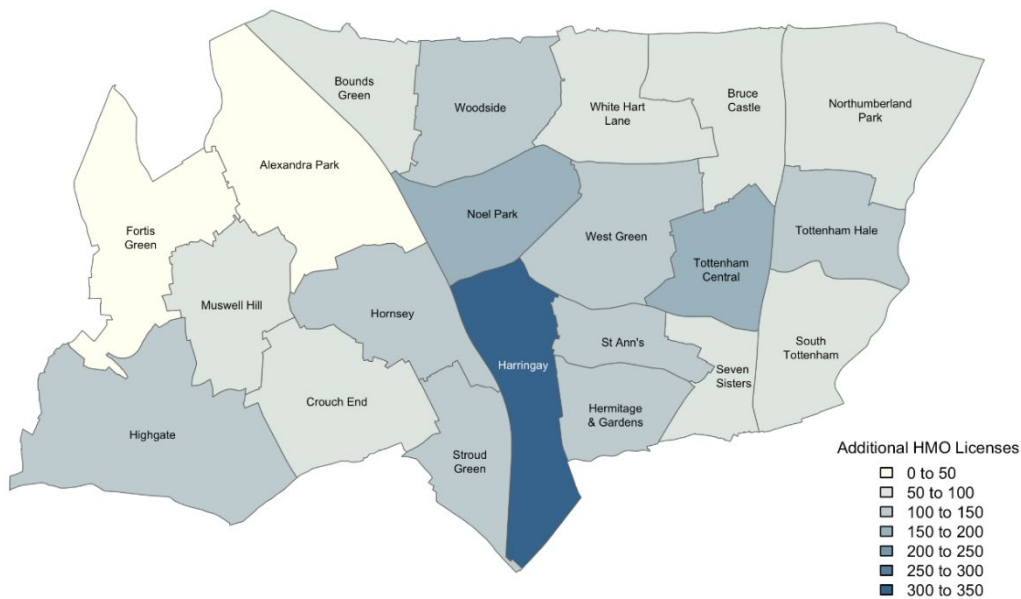
The graph below shows how many licences by type that have been received across each of the wards in Haringey. The HMOs are distributed across all wards in the borough. Harringay ward (785) has the most HMOs, Alexandra Park has the least (63) (Figure 1).



**Figure 1. Total licensed HMOs (section 254 & section 257) by ward**

The additional HMO licensing properties in Haringey makes up the majority of HMO accommodation in Haringey borough. The current number of additional HMOs stands at 3140. There are 2,237 additional licensed HMOs that share basic amenities and 903 converted section 257 HMO properties.

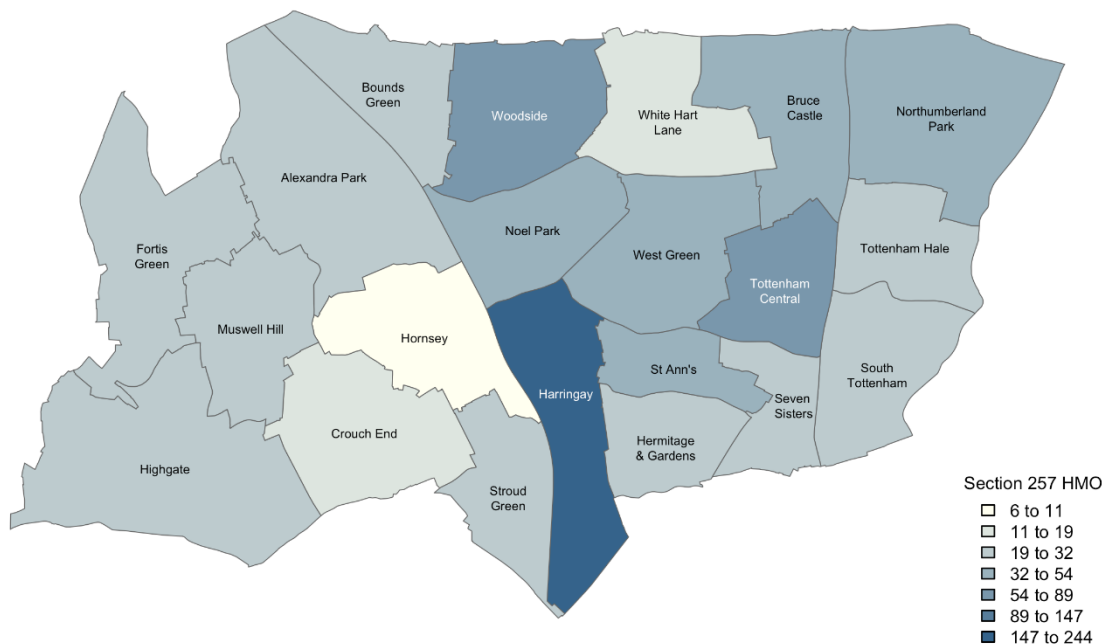
The distribution of additional HMOs that share basic amenities (sec 254) can be seen in the Map 1 below.



**Map 1. Distribution of licensed Additional HMOs (3 & 4 persons) by ward (Source: TI 2023, Map by Metastreet).**



The distribution of property that has an additional Sec 257 HMO licence (converted properties) can be seen in the Map 2 below.



**Map 1. Distribution of licensed s257 HMOs (converted properties) by ward (Source: TI 2023, Map by Metastreet).**

The additional HMO licensing scheme has identified that this property type currently makes up 65% of the known HMO properties in Haringey. This data supports the fact that Haringey has significantly more property covered by additional HMO licensing than those which require mandatory HMO licensing. Applications for converted property (sec 257) licences have received the fewest number of applications. Haringay ward has the highest number of sec 257 HMO licences received. This is due to a small additional HMO licensing scheme that was in place between 2011 and 2016 which specifically targeted these converted properties (sec 257 HMO). The prevalence of this type of HMO is likely to be greater across the borough, but due to the complexity of the definition of this type of HMO, it remains that many landlords are failing to apply.

### 4.3 Tenant Population

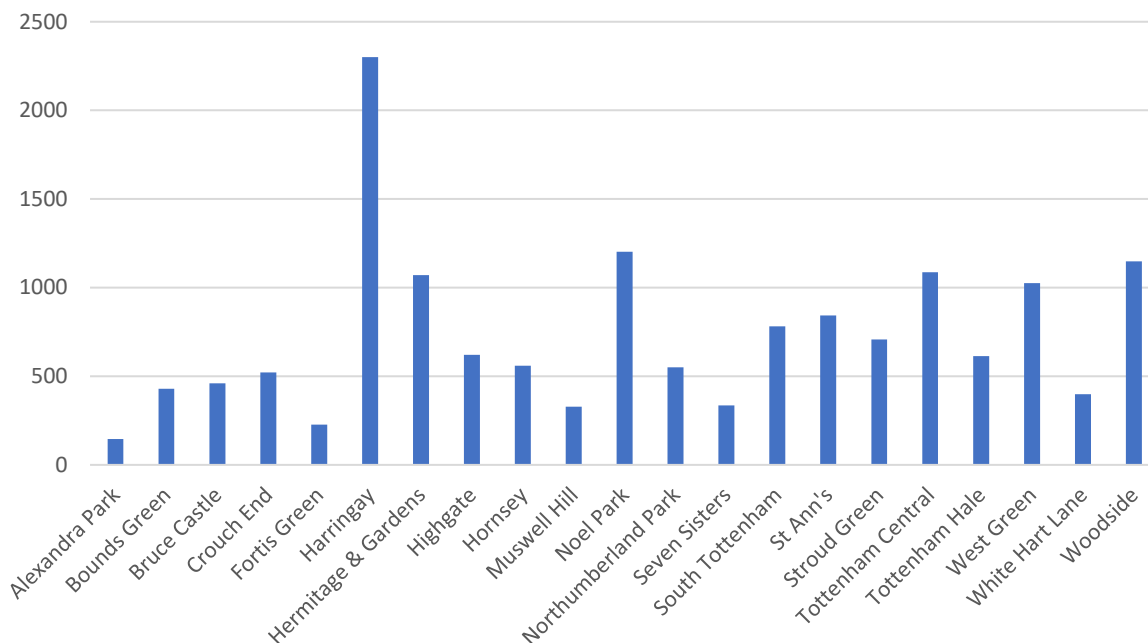
Data provided in HMO licence applications give insight into how HMOs in Haringey are occupied.

To provide this insight, occupancy data provided within both mandatory and additional HMO licence applications were used, (applications that did not provide this detail could not be included in this analysis).

The data revealed a total of 15,356 tenants occupy 3,363 HMOs in Haringey, forming 10,977 households. Each HMO is occupied by 4.5 tenants on average. The number of

tenants occupying HMO properties ranges between 3-19 persons. The average number of households per property is 3.3.

The graph below (figure 2), shows the number of tenants occupying HMOs by ward. Harringay ward has the highest number of HMO occupants (2,301).



**Figure 2. HMO occupants by ward (Source: TI 2023).**

The data relating to occupancy levels of all known shared HMOs gives an average of 4.5 tenants per HMO with the average households to be 3.3 per HMO. This data further supports the fact that Haringey has a much greater population of additional HMO than Mandatory.

#### 4.4 HMO Standards and Management

Evidence suggests that more than one in every four homes rented from a private landlord in Haringey is in such poor condition that it presents a risk of harm to the health or safety of its tenant(s). Housing conditions are affected by the level of maintenance, quality of repair & management, the age of the property, thermal efficiency, and type of construction.

Proper management of HMOs is necessary to safeguard tenants and the wider community. HMOs can exhibit some of the poorest housing conditions of any tenure if poorly managed. Therefore, HMO managers are required to comply with licence conditions and HMO Management Regulations. These include space standards, repair obligations, fire precautions, testing, waste management and tenancy management.

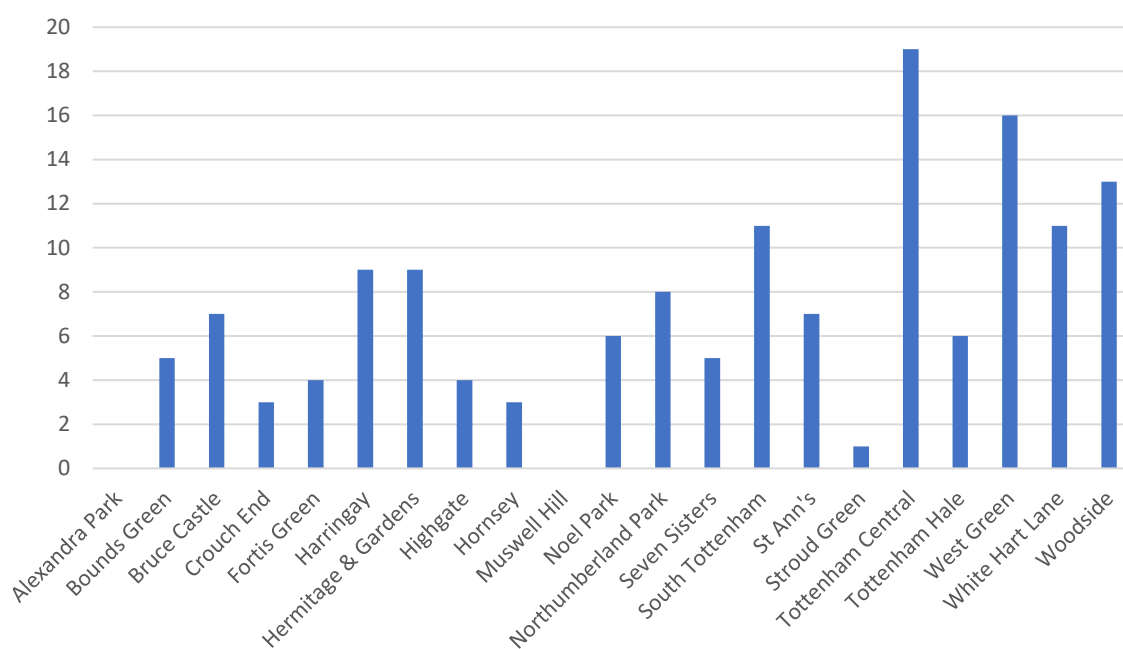
Complaints made to Haringey Council regarding poor property condition and inadequate property management are a direct indicator of low quality, poorly managed HMOs.

#### 4.5 Indicators of poor property condition through complaints.

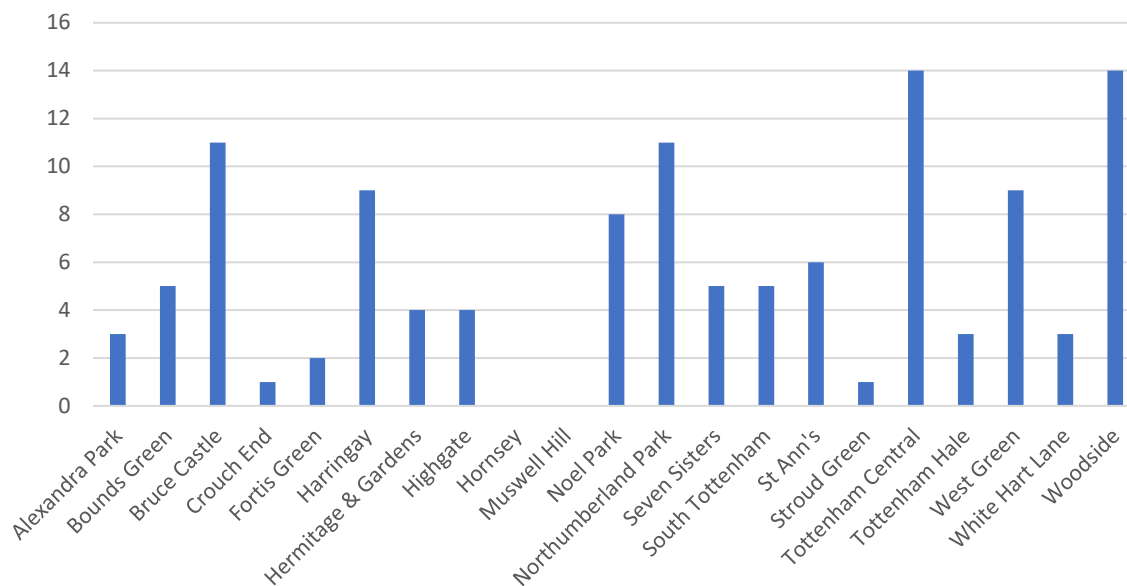
Haringey recorded 492 complaints relating to living conditions from tenants and others linked to all HMO types over a 5-year period (April 2018 – March 2023). Just over half of the complaints received (265) were related to additional HMO licenses with Tottenham Central ward having the highest number of reported complaints.

147 complaints were linked to additional HMOs. Tottenham Central ward received the highest number of complaints with 19 (Figure 3 below).

118 of these complaints were linked to sec 257 additional HMO (Figure 4). Tottenham Central again received the highest number of complaints with 14 (Figure 4 below).



**Figure 3. Complaints from tenants and others linked to Additional licensed HMOs (s254) by ward (Source: TI 2023).**



**Figure 4. Complaints from tenants and others linked to Additional licensed HMOs (s257) by ward (Source: TI 2023).**

#### 4.6 Indicators of poor property condition through inspection

The Housing Health and Safety Rating System (HHSRS) is a system for assessing housing conditions. A hazard is any risk of harm to the health or safety of an actual or potential occupier of accommodation that arises from a deficiency in the dwelling, building or land in the vicinity.

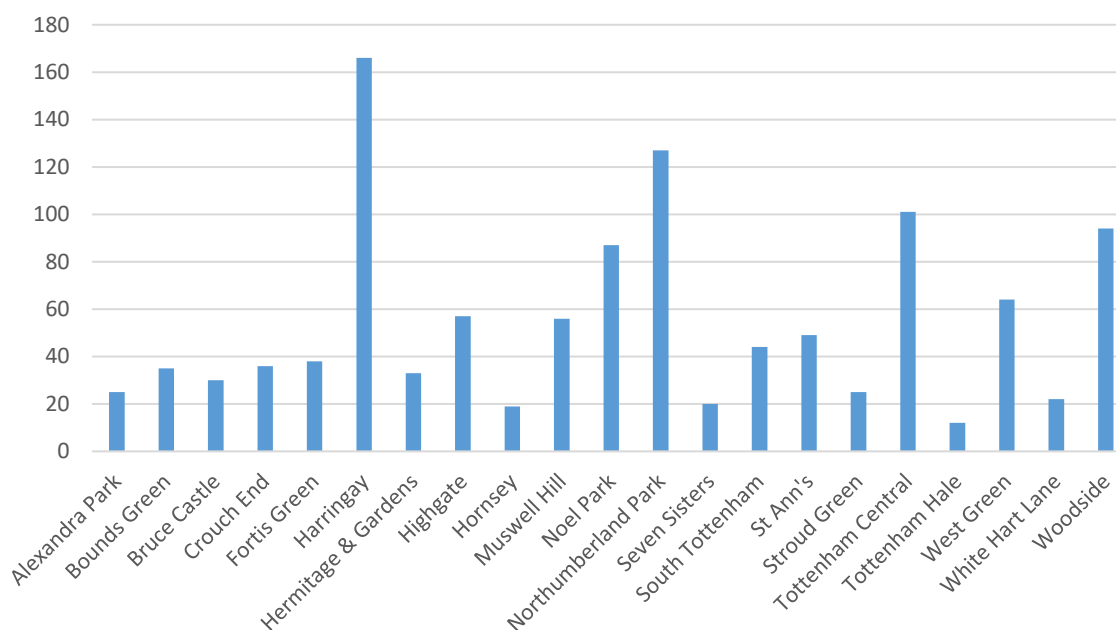
Currently the HHSRS assessment identifies 29 hazard types that give rise to hazards, under 4 main public health categories; physiological requirements; psychological requirements; protection against infection; protection against accidents.<sup>1</sup> Serious hazards (Category 1 & 2, HHSRS) hazards have a physiological or psychological impact on the occupant and may result in medical treatment.<sup>2</sup>

Haringey has an active HMO inspection programme. Between, 2019-2023, Haringey officers undertook 1,129 property inspections across all types of HMO within the borough. During these inspections, 1,140 hazards (Category 1 & 2, HHSRS) were identified across 315 properties. Therefore 27% of all inspected properties were found to have serious hazards, with each affected property having an average of 3.6 hazards.

Hazards identified in all types of HMOs during officer inspections are distributed across all wards. Harringay and Northumberland Park wards had the highest recorded number of hazards within their HMO population. (Figure 5).

<sup>1</sup> HHSRS) operating guidance, <https://www.gov.uk/government/publications/hhsrs-operating-guidance-housing-act-2004-guidance-about-inspections-and-assessment-of-hazards-given-under-section-9><sup>1</sup> HHSRS) operating guidance,

<sup>2</sup> Housing Health and Rating System, Operation Guidance, 2006, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/15810/142631.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/15810/142631.pdf)



**Figure 5. Hazards identified during inspections (2019-2023). (Source: TI 2023).**

Compliance is a key element of the additional HMO licensing scheme. It allows us to ensure that property of this type is in good condition, it meets regulations, and it complies with the additional HMO licensing conditions.

Of the 1,129 inspections undertaken by Haringey officers, the majority were additional, s254 properties (665). The highest number of hazards were also found in additional s254 properties (612). S257 HMOs have the highest hazard rate per 100 properties inspected (164.7).

HMO licence type	Inspections recorded	Number of hazards identified	Hazard rate per 100 properties
S257 HMO (Additional)	150	247	164.7
S254 HMO (Additional)	665	612	92.0
Mandatory HMO	314	281	89.5

**Table 1. Hazards identified during inspections (2019-2023) by licence type (Source: TI 2023).**

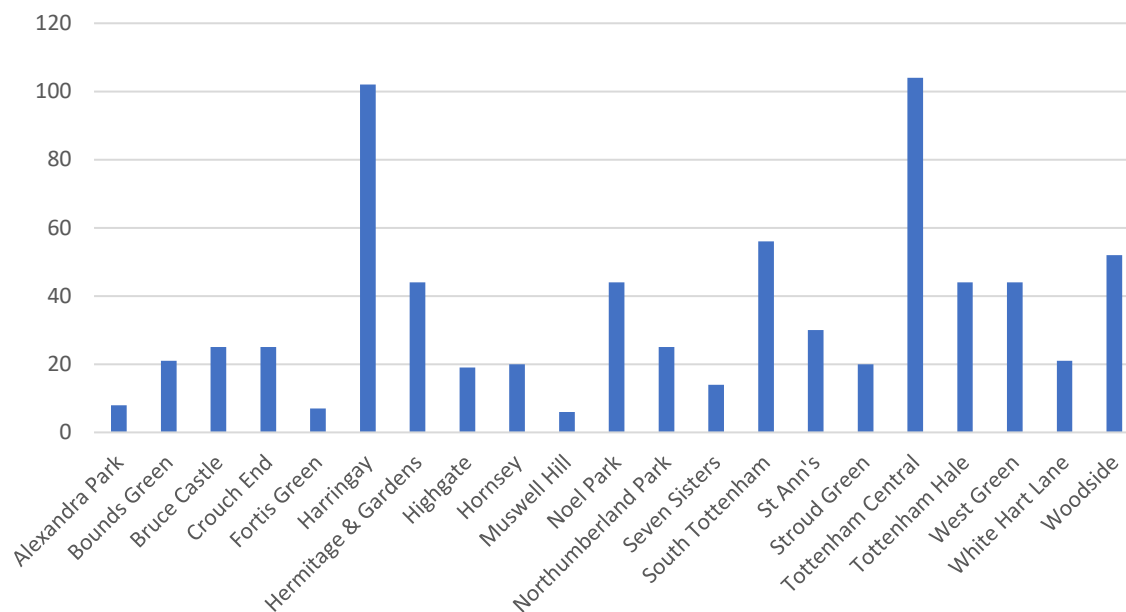
During inspections of additional HMOs (s254) officers identified 612 hazards (Category 1 & 2, HHSRS) in 202 properties.

#### 4.7 Predicted property hazards.

Using a sample of properties that are known to have at least one serious housing hazard (Category 1 & 2, HHSRS), it is possible to predict the number of PRS properties with at least one serious hazard across the borough. Note, for converted property HMOs (s257),

there are no predicted hazards. Further details of the methodology can be found in Appendix 1.

There are 731 Additional s254 HMO properties in Haringey that are likely to have at least one serious housing hazard (Category 1 & 2, HHSRS). Tottenham Central has the highest number of predicted hazards (104) (Figure 6).



**Figure 6. HMOs with one or more predicted serious hazards by ward (additional HMO, s254) (Source: Ti 2023).**

Licence holders are given a schedule of improvement works following a compliance visit which outlines defects at a property, and which refers licence holders to the Additional HMO licence conditions in place. Any high-risk hazards that are identified and not rectified will lead to enforcement action being taken against the landlord under Part 1 of the Housing Act 2004.

This predictive data provides a way of prioritising compliance inspections and targeting property which has poor conditions without the need for a tenant to complain.

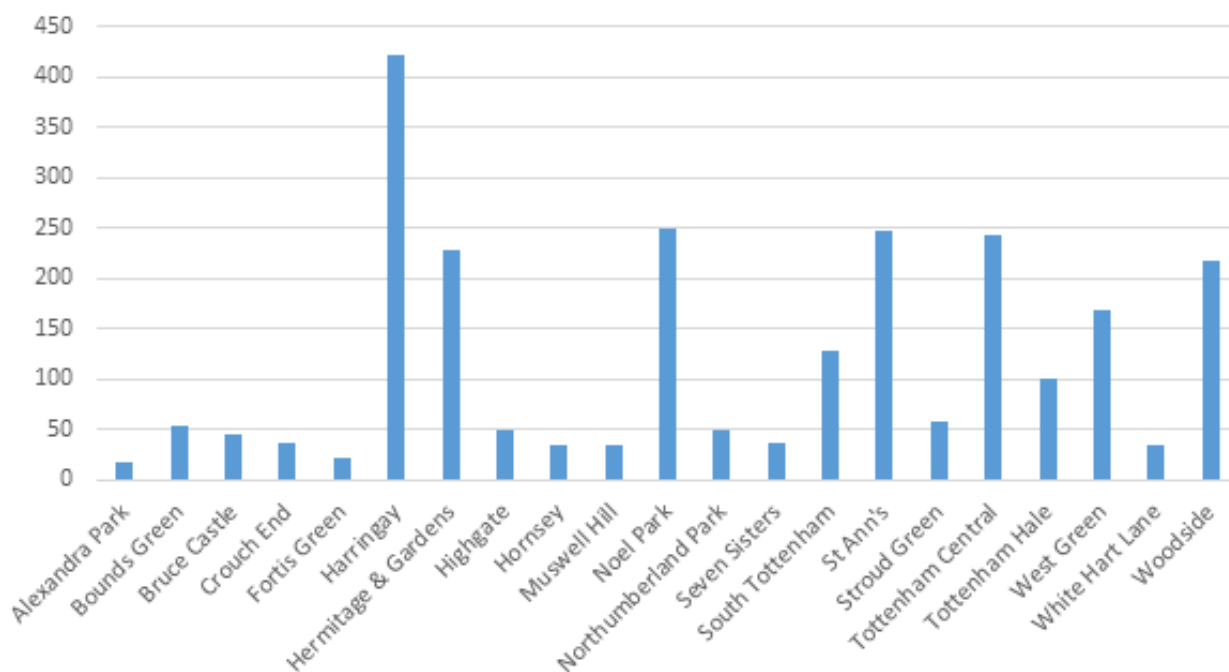
#### **4.8 Indicators of Poor Property Management.**

Different types of ASB incidents recorded by the Council over a 5-year period (April 2018 – March 2023) have been linked to HMO properties and analysed. ASB and statutory nuisance records have been separated into two categories: noise related ASB incidents and waste related ASB incidents. A combined, 3,795 incidents have been matched with all types of HMO properties.

It is important to note, where incidents could not be matched directly at the property level with HMOs, ASB incidents have been discarded from this study. For example, ASB incidents investigated on a street corner that cannot be directly linked to an HMO property have been excluded.

## Noise Incidents

The graph below (Figure 7) shows all Noise related ASB incidents (2,474) that have been linked to any property rented as an HMO across the borough. Harringay (421), Noel Park (249) & St Ann's (248) have the highest levels of noise ASB amongst all HMO types.



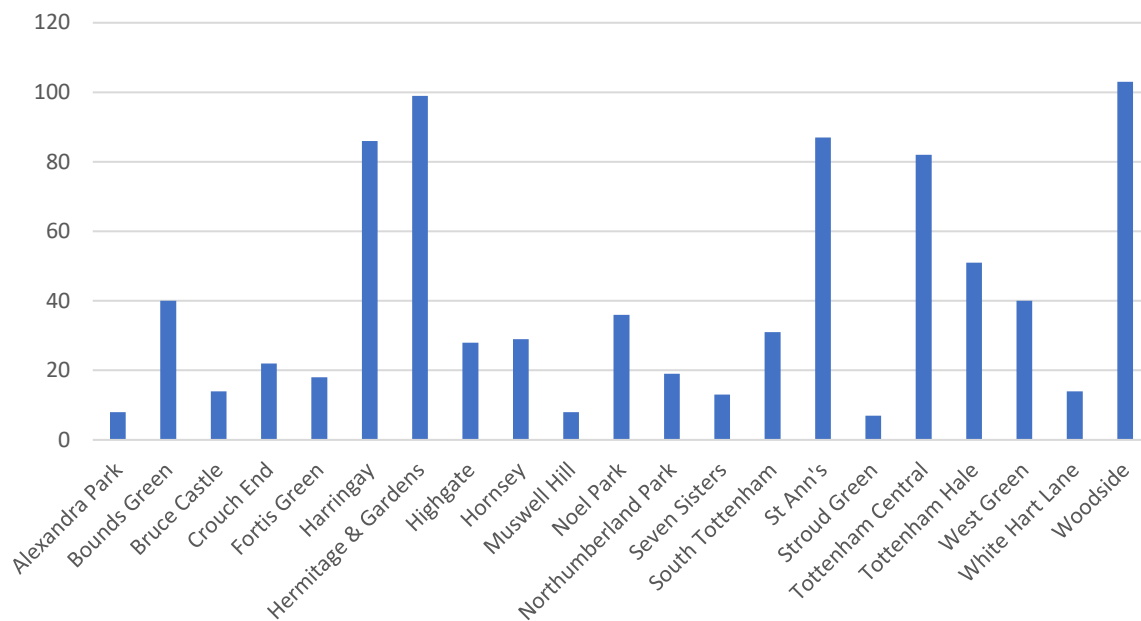
*Figure 7. Noise ASB linked to HMOs by ward (April 2018 – March 2023). (Source: Ti 2023).*

Of the 3795 noise incidents recorded across all HMO type, a total of 1276 noise incidents that were recorded related to HMO properties licensed under the current additional HMO licensing scheme.

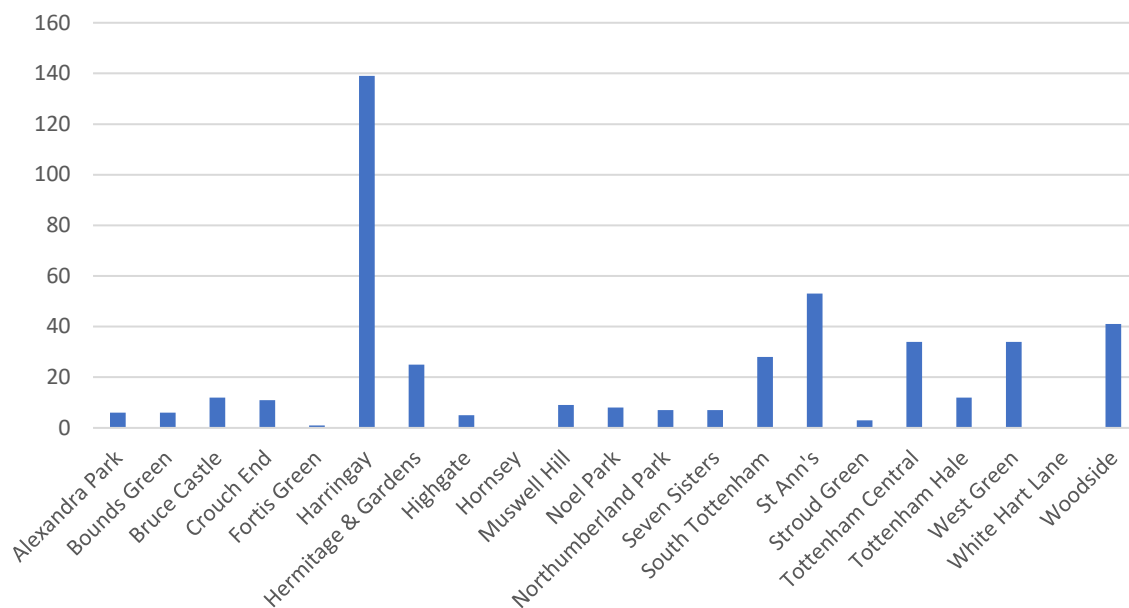
Additional s254 HMOs accounted for 835 of those incidents. Woodside ward has the highest number (Figure 8).

A total of 441 noise related ASB incidents have been linked to additional s257 HMOs (Figure 9). Harringay ward has the highest number of noise related ASB incidents (139).

Compared to the data given above for the total number of noise incidents reported for all types of HMO, just over a third of all noise ASB complaints come from additional HMO property.



**Figure 8. Noise ASB linked to additional HMOs (s254) by ward (April 2018 – March 2023). (Source: Ti 2023).**

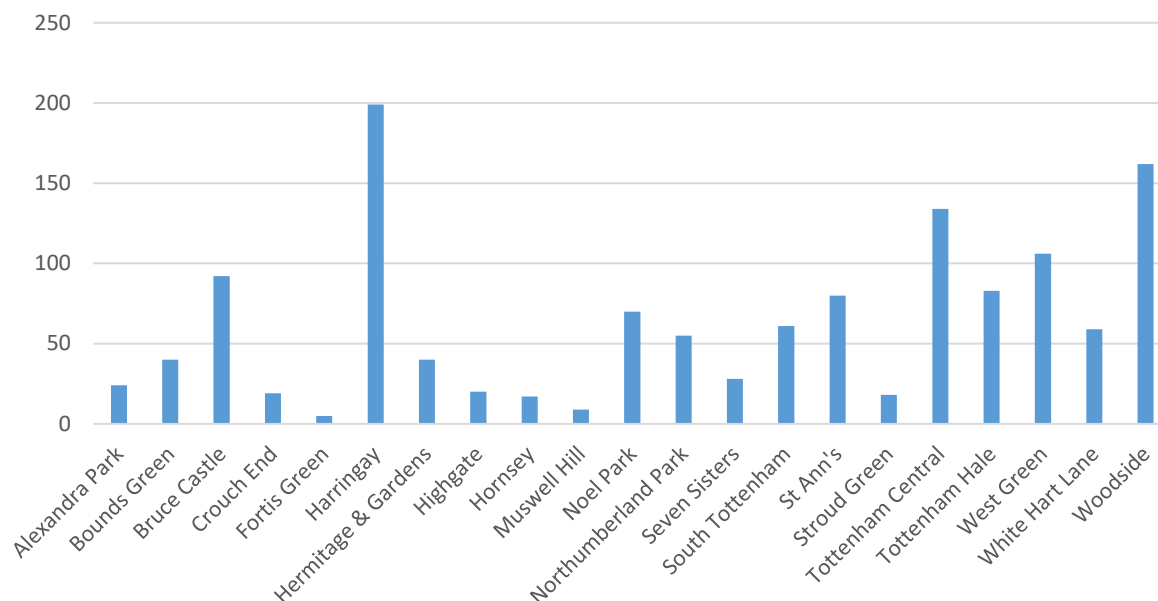


**Figure 9. Noise ASB linked to additional HMOs (s257) by ward (April 2018 – March 2023). (Source: Ti 2023).**

### Waste incidents

Haringey Council deals with a sizeable number of waste issues that can be directly linked to HMOs. Over a 5-year period, 1,359 waste complaints have been received by the authority linked to 793 licensed HMOs. These waste complaints have been linked to all types of HMOs across all wards, with concentrations in central and eastern wards (Fig 10).

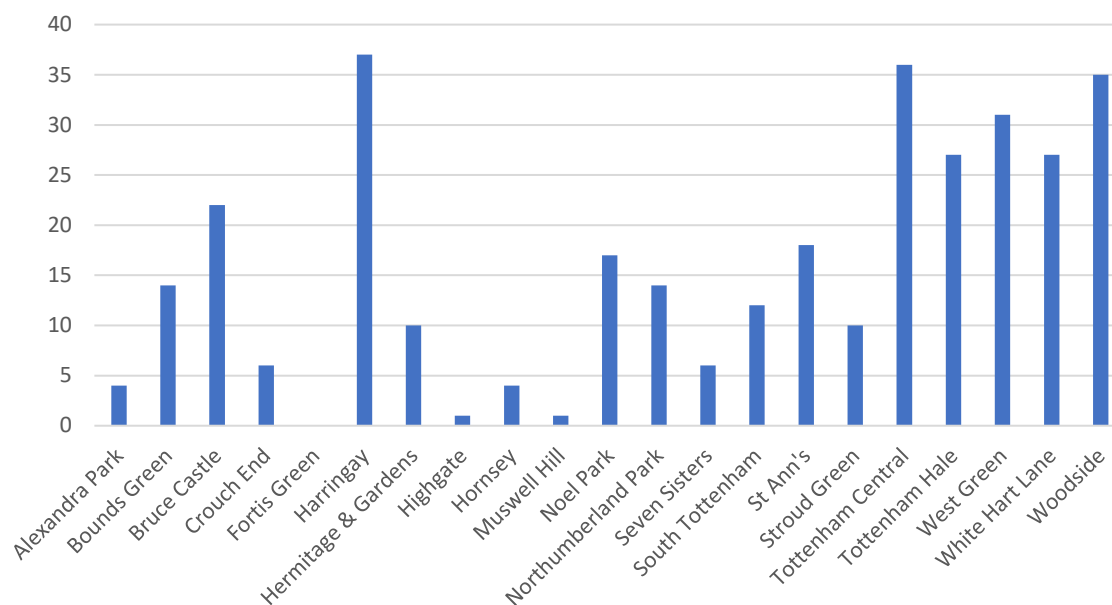




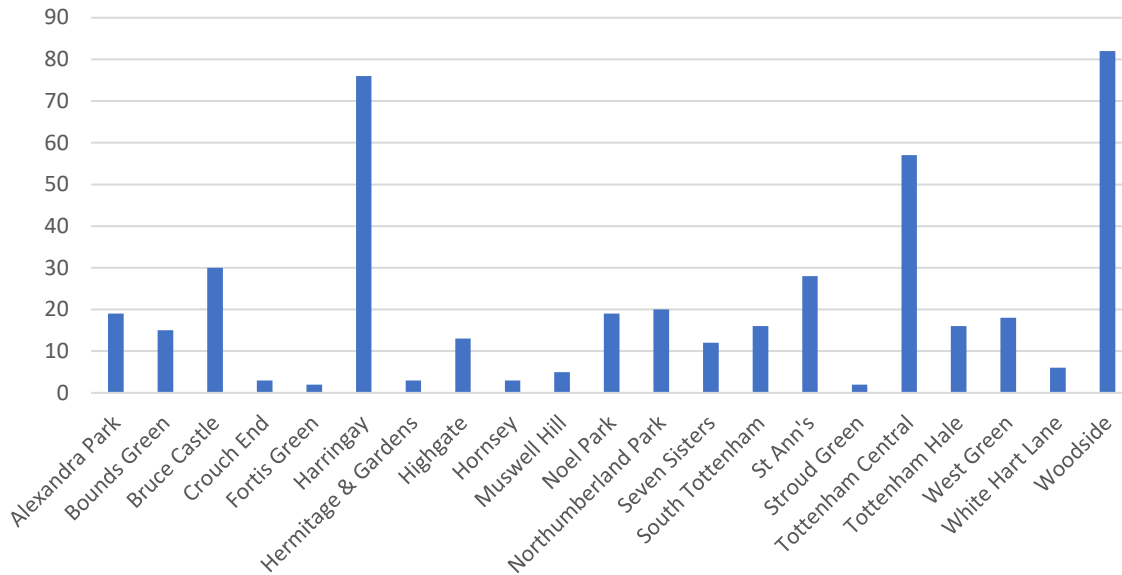
**Figure 10. Waste complaints linked to HMOs (all types) by ward (April 2018 – March 2023). (Source: Ti 2023).**

Of the 1359 waste related incidents that were recorded by the Council over a 5-year period (April 2018 – March 2023) in relation to all types of HMO, 777 were linked to properties that had an additional HMO licence.

A total of 332 complaints have been linked to additional s254 HMOs. Harringay ward (37) has the most waste complaints for this type of HMO (Figure 11). A total of 445 waste complaints have been linked to additional s257 HMOs. Woodside ward (82) has the highest number of waste complaints for this type of HMO (Figure 12). Just over half of all waste related complaints (57%) come from additional HMO licenced property.

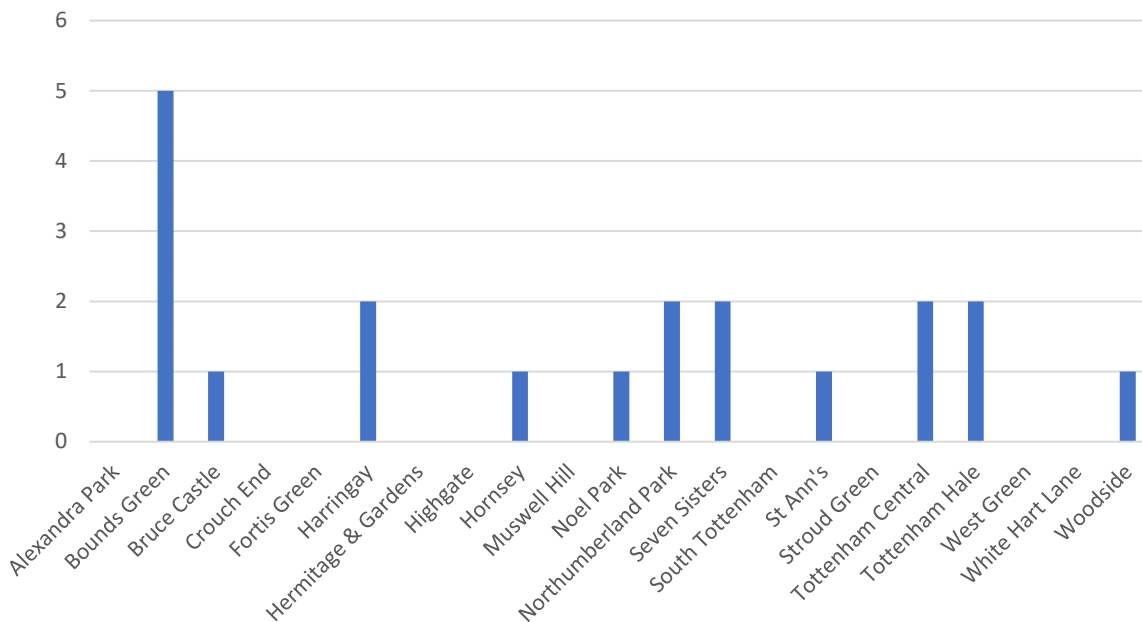


**Figure 11. Waste complaints linked to HMOs (additional, s254) by ward (April 2018 – March 2023). (Source: Ti 2023).**



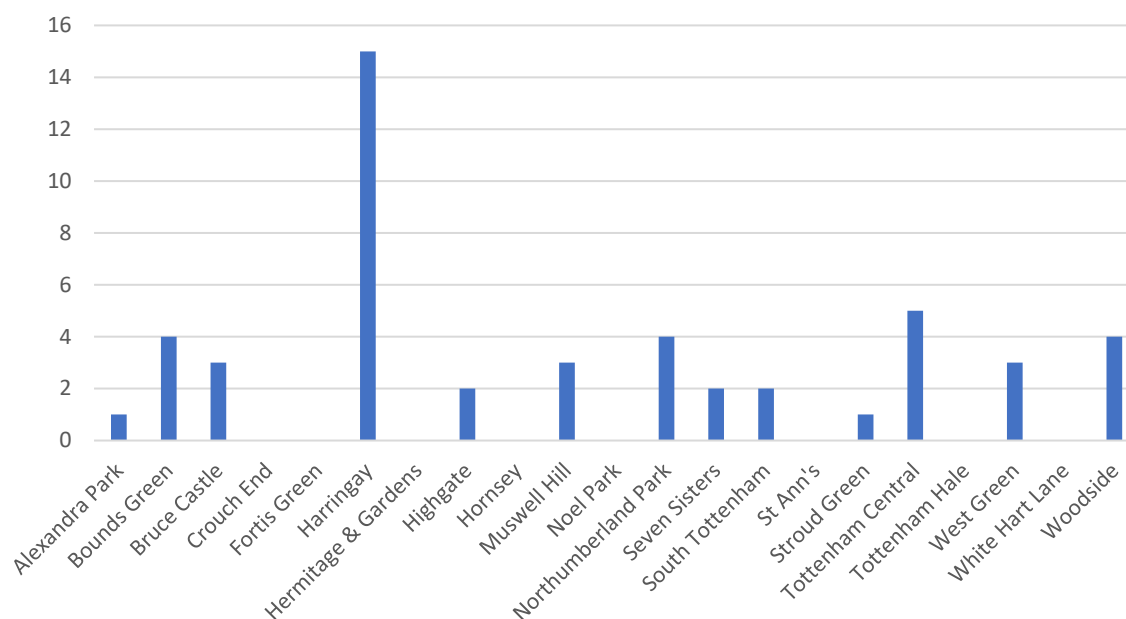
**Figure 12. Waste complaints linked to HMOs (additional, s257) by ward (April 2018 – March 2023). (Source: Ti 2023).**

Waste notices are served on persons or organisations that are responsible for waste issues. Over a 5-year period, 20 waste notices have been linked to additional s254 HMOs. Bounds Green (5) has the highest number of waste notices for this type of HMO (Figure 13).



**Figure 13. Waste Notices linked to HMOs (additional s254) by ward (April 2018 – March 2023). (Source: Ti 2023).**

49 waste notices have been linked to additional s257 HMOs. Harringay (15) has the highest number of waste notices for this type of HMO (Figure 14).



**Figure 14. Waste Notices linked to HMOs additional (s257) by ward (April 2018 – March 2023). (Source: TI 2023).**

#### 4.9 Enforcement

Enforcement action is used as a last resort against landlords who fail to act voluntarily with requests for compliance. Failing to licence, failing to comply with licence conditions or Part 1 of the Housing Act 2004, will see landlords facing formal action.

Additional HMO licence conditions are one of the powers within the licensing toolbox that allows council officers to hold landlords to account, for a number of responsibilities that landlords should be undertaking as part of the legal or professional duties. Breaching a licence condition is an offence which can incur prosecution or a fine of up to £30,000.

As part of the compliance inspection programme, a schedule of works is given to landlords when (a) defect(s) exist(s) at a property. This proactive and informal approach in the first instance is working very well with landlords and agents in Haringey. As a result, it allows for only those landlords who have serious unresolved hazards at their property to have enforcement notices issued against them to force compliance.

As a result of the Additional HMO licensing scheme being in operation, many unlicensed HMO properties has been identified, including unlicensed Mandatory HMO accommodation. Failing to licence an HMO under part 2 of the Housing Act 2004 is an offence and, where appropriate, formal action has been taken against those owners in the form of Civil Penalty Notices. A Civil Penalty Notice is a penalty that can be given to landlords who fail to comply as an alternative to prosecution. Further details on this can be found in Haringey Councils Private Sector Housing Enforcement Policy.

<https://www.haringey.gov.uk/housing/landlords/houses-multiple-occupation-hmo/enforcementprivate-sector-housing-policies>

The table (table 2) below shows the enforcement action taken against landlords and agents for non-compliance in relation to HMO accommodation. The table includes fines given to landlords and agents for failing to licence a licensable property and the total amount of penalties awarded. These figures are for enforcement action taken between 1<sup>st</sup> June 2019 and 31<sup>st</sup> September 2023.

Offence	Outcome	Quantity
Failing to comply with Part 1 of the Housing Act 2004	Service of Improvement Notice (sec 11-12)	70
Failing to comply with Part 1 of the Housing Act 2004	Service of Prohibition Notice (sec 20)	15
Failing to comply with The Management of Houses in Multiple Occupation Regulations	Service of Warning Letter	12
Penalty	Type of Penalty	Quantity & Fine Amount (£)
Failing to licence a licensable premises under Part 2 of the Housing Act 2004	Service of Civil Penalty Notice (CPN)	42 £211,850
Failing to comply with The Management of Houses in Multiple Occupation Regulations	Service of Civil Penalty Notice (CPN)	2 £25,600

**Table 2. Enforcement action taken by council officers for offences within HMO properties (2019-2023) (Source: LBH 2023)**

#### 4.10 Key Outcomes of the current additional HMO licensing scheme.

- 3140 licence applications received as of 31<sup>st</sup> March 2023.
- 65% of the known HMO properties in Haringey fall within the additional HMO licensing definitions.
- Just over 50% of all complaints received by the Private Sector Housing Team were from additional HMO properties.
- Additional HMO properties also account for 57 % of the waste complaints received by the Council.
- Compliance inspections have been undertaken on 815 additional HMO properties (as of 31<sup>st</sup> March 2023).
- A total of 612 hazards were identified across all inspected additional s254 HMOs, and 246 hazards identified within s257 HMOs.
- Predictive modelling estimates that 731 additional s254 HMO properties are likely to have a category 1 hazard.
- Council officers have issued 49 notices related to waste offences.

- Between June 2019 – Sept 2023, 97 notices related to poor property condition were issued under Part 1 of the Housing Act 2004.
- 44 Civil Penalty Notices relating to failing to licence and/or Housing Act 2004 offences, totalling £237,450 worth of fines have been issued between June 2019 and September 2023.

A new additional HMO licensing scheme would enable us to continue to target those non-compliant properties using licensing powers. It would also mean that we can continue to identify and target un-licensed properties and force them to comply with standards.

It is clear that “a significant proportion of HMOs remain poorly managed and give rise to problems for residents.” It is clear that the further powers granted through the licensing scheme will ensure that we continue our inspection programmes to achieve compliance with HMO standards and that through licence conditions we maintain accountability.

## 5 Alternative Options Considered

As part of the legal and consultation process, the Council has considered what other options and powers could be available to them as an alternative to having a new additional HMO licensing scheme. Any alternative option(s) need(s) to be able to ensure that all HMO accommodation is professionally managed, tenants are protected and that residents are not burdened with further problems caused by absentee landlords and irresponsible letting practices.

We have therefore considered as part of this process the following options detailed below. The council could decide to:

- **Do nothing and rely on a reactive complaint's procedure.** Doing nothing is not considered a viable option due to the significant scale of poor housing conditions and the poor management of HMOs in the borough as outlined in the evidence report in Appendix 1. To do nothing would mean relying on a reactive property inspection programme, which depends heavily upon complaints being made by tenants as the means of identifying poor HMO standards. Without HMO licensing, our human resources to do this as well as powers to achieve compliance would be limited. Doing nothing would also mean an inability to continue to work in the way that has been established through having the existing additional HMO licensing regime. The amount of operational partnership working that we are developing would also reduce.
- **Do nothing and rely on the use of Part 1 of the Housing Act 2004.** The council could rely on the enforcement powers listed in Part 1 of the Housing Act 2004 alone. Those powers include issuing Improvement Notices, Hazard Awareness Notices or Prohibition Orders to improve living conditions or remove hazards, among other things. This formal action however is slow, with appeal provisions against most types of notices served, which can significantly delay the time period for compliance. In addition, the council's powers under Part 1 do not enable it to regulate the management of property as licensing schemes do. The Part 1 provisions are currently available to the council but despite our best efforts to exercise these powers they have not provided the necessary large-scale improvements in the sector. All the above options are time consuming, resource intensive and not feasible on a large scale.
- **Voluntary Regulation.** The council could rely on voluntary accreditation schemes such as the London Landlord Accreditation Scheme (LLAS) or landlord membership organisations, such as the National Residential Landlords Association (NRLA). These can help to support

and improve a professional approach by landlords, and we have encouraged this by promoting voluntary regulation through voluntary accreditation schemes, but this does not give the council any additional powers to ensure compliance.

- **Planned Government Reform.** The government has announced that they want to provide more protection for private tenants and national registration for landlords. However, the details of any legal reforms affecting private rented housing are still unknown and without a clear timetable.
- **Opting for a smaller designation within the borough.** The data analysis and evidence gathering has highlighted that HMOs exist across all wards in Haringey. It also indicates that there are varying levels of compliance across all wards in Haringey. There is no current evidence to suggest that where compliance has been achieved, it has been maintained. We also know that there are likely to be un-licensed HMO properties remaining within some wards that should have been licensed under the Council's current scheme. At present it is therefore proposed that HMO licensing continues to be required borough wide.

The Council are of the opinion that another borough-wide Additional HMO licence scheme is the best option, and we are therefore consulting with our stakeholders on this opinion. When used alongside Mandatory HMO licensing, the newly adopted Selective property licensing scheme for the east of the borough, and in conjunction with other regulatory and enforcement powers, it will allow the Council to achieve its corporate and strategic objectives.

## **6 Strategic Context.**

**Proposed Housing Strategy** – The Council's proposed Housing Strategy 2023-28 (which has been consulted on and is due to go to Cabinet for approval in December 2023) outlines the Council's aspirations to have safe, stable, and genuinely affordable homes. The use of discretionary enforcement powers provided by schemes such as additional HMO licensing, assist the Council in achieving its aspirations. The strategy includes a specific objective on how we aim to improve the quality of the Private Rented Sector by delivering against three sub-objectives:

- Setting clear standards for the private rented sector and supporting landlords to meet those standards.
- Enforcing those standards and taking decisive action against landlords who will not provide their tenants with a home that is decent, safe, and secure.
- Empowering and supporting private renters to hold their landlords to these standards.

Also, within this strategy, a clear objective for preventing homelessness sets the tone of the Council's strategic direction on homelessness prevention and service delivery. With specific reference to the private housing sector, the homelessness objective identifies that the loss of a tenancy in the private sector is the biggest cause of homelessness, identifying that the Council will use landlord licensing to increase its engagement not only with private landlords but also with their tenants.

**Corporate Delivery Plan** – The Council's vision is for a borough where everyone has a safe, sustainable, stable, and affordable home. Improving housing has broader implications on

the Council's ability to respond to climate emergency, support residents during the cost-of-living crisis, address inequality and build strong communities.

Forty percent of Haringey's population live in homes rented from a private landlord and more than one home in every four rented from a private landlord in Haringey is in such poor condition that it presents a risk of harm to the health or safety of its tenants.

We will be able to contribute to achieving this vision by improving the quality of HMO accommodation in the private rented sector. Through the additional HMO licensing scheme, in addition to the mandatory HMO licensing scheme, we will assess every licensed premises for property condition. We aim to work with and educate landlords, encouraging them to improve the quality of their housing stock including enhancing the energy efficiency of their properties. When landlords fail to make improvements, comply with standards, or fail to undertake their responsibilities voluntarily, we will enforce. [LB Haringey Corporate Delivery Plan 2023-24](#)

**Affordable Energy Strategy** - The Affordable Energy Strategy 2022-2025, sets a 5-year plan to reduce fuel poverty in the borough. The strategy identifies risks, mitigation measures and priority actions to help residents of the borough who are affected by fuel poverty. The use of property licensing has been identified within this strategy's objectives as a tool to help reduce fuel poverty within the PRS. Educating, providing support and guidance, and working with landlords as part of the wider licensing project objectives, the Council aims to increase the thermal efficiency of properties within the borough.

[The Affordable Energy Strategy 2020-2025](#)

The aim is to achieve this through a range of measures, which are:

- Checking compliance with Energy Performance Certification (EPC) when landlords apply for their licence.
- Acting when these properties remain non-compliant. The Council wants to use the project to encourage landlords to go beyond the minimum energy requirements for privately rented homes and will signpost landlords to any relevant funding. The Council will help landlords to identify additional measures that they can do within those properties to increase the energy efficiency and reduce fuel poverty for those living in this sector.
- Education and guidance on improving energy performance within this sector and sign posting to grant initiatives and funding where applicable.

**Haringey Climate Change Action Plan** – A route map for a net zero carbon Haringey sets out how together we will deliver homes that are healthy, comfortable, and affordable places to heat and power. [Climate Change Action Plan.](#)

## **7 HMO licensing conditions**

The Housing Act 2004 requires that licences must include certain mandatory conditions. Local Authorities also have the power to include other discretionary conditions.

Licence conditions provide a framework for the Council to intervene early if there are problems at an HMO and to work with landlords, if appropriate, to help and support them to meet their responsibilities and prevent the exploitation of tenants.

Where landlords purposefully undermine the local community by failing to meet these conditions, the Council can use its enforcement powers to address the negative impact of any condition breach. Furthermore, failure to comply with the conditions on a property licence is a criminal offence and could result in prosecution and an unlimited fine or the Council could issue a financial penalty (CPN) of up to £30,000.

Following outcomes and learning from our current additional HMO licensing scheme, Haringey Council are proposing to introduce further discretionary conditions which can be seen in Appendix 2. This document includes the current conditions and then the new proposed conditions. These conditions have been included to strengthen our expectations around the management of property conditions and waste.

We will also continue to use the HMO licence conditions to ensure licence holders remain accountable for:

- Dealing with anti-social behaviour of their tenants,
- Ensuring property is not over-crowded,
- Ensuring the health and safety of tenants

**The Council therefore seek views on this consultation on the proposed licence conditions. More detailed information on proposed licence conditions can be found in Appendix 2**

## **8 HMO licensing fees & charges**

The Council has the legal power to charge fees for property licence applications. A licence fee is now required to be levied in two parts as a split fee structure.

- Part A of the fee is for the application for a licence and covers the costs of processing, administration, and validation of the application.
- Part B of the fee covers the costs of exercising the licence such as compliance checks.

The Council are aware of the impact that the cost-of-living crisis is having on our residents and businesses, and this includes our landlord community. Although overall the cost of Additional HMO license fees in comparison with market rents is minimal, the Council wishes to keep the fees as low as practicable.

We have reviewed the additional HMO licence fee and conducted a benchmarking exercise against other local authority in London. As a result of this review and considering the other factors influencing the private rented sector, the Council are proposing to increase the HMO licence fee in line with the inflation costs at the time the scheme becomes operational.



As part of a fee review and in light of significant fluctuations in inflation, the Council are proposing to increase the HMO licence fee in line with the inflation costs throughout the lifetime of the scheme.

Additionally, we are proposing to continue to offer licence discount options for landlords, such as a £50 fee deduction for membership of a professional body relating to property management. It is our intention that these and other discounts will act as a suitable incentive for landlords to become fully engaged with landlord organisations, which in turn can help drive up the standard of management and professionalism within the landlord community.

**The Council therefore seek views in this consultation on proposed fee levels. More detailed information on fees and charges can be found in Appendix 3**

## **9 What happens next?**

The Council believes good quality housing is a fundamental right and are fully aware that its availability and quality directly impact our residents' health, wellbeing, safety and financial stability<sup>3</sup>. Housing also has broader implications for our ability to respond to the climate emergency, support residents during the cost-of-living crisis, address inequality and build strong communities.

We want to be able to offer those residents who are renting or looking to make the private rented sector their home in Haringey a safe, sustainable, and stable option.

We are of the opinion that additional HMO licensing along with the Council's existing Selective property licensing scheme in the east of the borough will enable us to continue to support and protect Haringey residents who rent privately.

If, after the consultation, a new HMO licensing scheme is found to be the best option, this recommendation will need to be approved by the Council's cabinet. If approved, we anticipate that the new scheme will commence in or around May 2024 when the current scheme expires.

<sup>3</sup>The importance of housing is recognised in the United Nations Covenant on Economic, Social and Cultural Rights, which includes 'the right of everyone to an adequate standard of living for himself and his family, including adequate ... housing.

### **How to Respond to this Consultation:**

**You can respond to the consultation via our online questionnaire. The consultation will close on 12<sup>th</sup> February 2024. Please use the link below or scanning the QR code to take part.**

<https://www.haringey.gov.uk/hmo-consultation>

## 10 Appendices

Appendix	Document Title
Appendix 1	London Borough of Haringey Houses in Multiple Occupation: Housing Stock Condition and Stressors Report. <a href="https://www.haringey.gov.uk/hmo-consultation">https://www.haringey.gov.uk/hmo-consultation</a>
Appendix 2	London Borough of Haringey proposed new licence conditions <a href="https://www.haringey.gov.uk/hmo-consultation">https://www.haringey.gov.uk/hmo-consultation</a>
Appendix 2	London Borough of Haringey proposed new licence fees and charges. <a href="https://www.haringey.gov.uk/hmo-consultation">https://www.haringey.gov.uk/hmo-consultation</a>