### **Cherwell District Council**

### **Executive**

## 3 September 2018

Adoption of new House in Multiple Occupation (HMO) Standards Policy and new House in Multiple Occupation (HMO) Licensing Policy

# **Report of Assistant Director Housing**

This report is public

### Purpose of report

This report seeks adoption of revised and updated versions of the Council's House in Multiple Occupation (HMO) Standards Policy and its HMO Licensing Policy.

### 1.0 Recommendations

The Executive is recommended to:

- 1.1 Adopt the House in Multiple Occupation (HMO) Standards Policy 2018 in place of the 2012 version with effect from 1 October 2018.
- 1.2 Adopt the House in Multiple Occupation (HMO) Licensing Policy 2018 in place of the 2012 version with effect from 1 October 2018.

### 2.0 Introduction

- 2.1 The Council is responsible for enforcing mandatory HMO licensing in its district. Mandatory licensing is being extended from 1 October 2018, to include premises with 5 or more occupants (who form 2 or more households) regardless of the number of storeys. To coincide with this change, new regulations<sup>1</sup> are introducing minimum room size conditions and additional requirements concerning waste storage and disposal for licenses issued after that date.
- 2.2 An HMO Licensing Policy is required to confirm the approach the Council will take to its licensing responsibilities and how it will deal with, and process, applications for HMO licences.

<sup>&</sup>lt;sup>1</sup> The Licensing of Houses in Multiple Occupation (Mandatory Conditions of licences) (England) Regulations 2018, which deal with minimum room sizes and conditions regarding waste storage and disposal.

2.3 The Council requires a set of HMO standards to underpin its enforcement of satisfactory standards in HMOs, particularly the judgements associated with HMO licenses, where officers have to determine whether premises are suitable for occupation by particular numbers of occupants. The standards also include bedroom space standards that will apply to all HMOs.

# 3.0 Report Details

### **HMO Standards Policy**

- 3.1 The Council has adopted HMO standards since at least 1994 and has had an HMO standards policy in broadly the current form since 2008, with a further revision in 2012. The 2018 version has been revised to take account of legislative changes, developments in good-practice and experience gained from implementing the current policy. It will therefore ensure that we are ready to assess licence applications and apply all appropriate conditions from 1 October 2018 when the licensing requirements and new regulations come into effect.
- 3.2 The changes in the proposed 2018 Policy represent an evolutionary development of the Council's previous standards. Large parts remain substantially unchanged and will be readily familiar to local landlords. The principle changes are concerned with revisions to room sizes to take account of statutory minimum standards and the change away from the inclusion of different, locally defined, categories of HMO which had been rendered less relevant by changes in the housing market and the variety of shared houses being created.

### **HMO Licence Policy**

- 3.3 This new policy again takes the form of an evolutionary update. It has been reduced in length but takes account of legislative changes, better explains what inspections are likely to take place, as well as updating enforcement provisions to include the new Civil Penalties, Banning Orders and Rent Repayment Order powers<sup>2</sup>.
- 3.4 The Policy also proposes that in future, revision of licence fees should take place through the Council's established fees and charges setting process. Under the 2012 policy, fees were set by means of Lead Member Decision.

### 4.0 Conclusion and Reasons for Recommendations

- 4.1 The proposed policies are necessary updates to existing policies which take account of legislative changes. We have also taken the opportunity to update and refresh the policies but those changes are limited and largely evolutionary in nature.
- 4.2 These policies are necessary to ensure effective delivery of the Council's licensing responsibilities and effective enforcement of standards in HMOs.

<sup>&</sup>lt;sup>2</sup> The Executive approved new policies in relation to these new powers at its 2 July 2018 meeting.

### 5.0 Consultation

None

# 6.0 Alternative Options and Reasons for Rejection

- 6.1 The first alternative option would be <u>not to adopt</u> the proposed HMO Standards Policy. That course of action would leave the Council at risk of challenge if it sought to apply space standards or waste disposal standards in licences from 1/10/18 and would also mean the Council was disregarding relevant legislation. That course is not recommended
- 6.2 The second alternative option would be <u>not to adopt</u> the proposed HMO Licensing Policy. That would leave the Council continuing to operate with an unnecessarily elderly current policy that could prove insufficiently accurate if challenged and which would also leave future licence fee setting to be made by means of Lead Member Decision rather than made part of the Council's annual fees and charges setting process. That course is not recommended.
- 6.3 The third option would be <u>not to adopt</u> both the proposed policies. That course would result in all of the implications described in sections 6.1. and 6.2, and is not recommended.

# 7.0 Implications

### **Financial and Resource Implications**

7.1 There are no financial or resource implications associated with the adoption of these two policies in place of the previous 2012 versions.

Comments checked by Kelly Wheeler Principal Accountant, 01327 32230, kelly.wheeler@cherwellandsouthnorthants.gov.uk

### **Legal Implications**

7.6 It is essential that the Council has in place policies that properly reflect legislative developments and enable officers to operate effectively and in full confidence that they are supported by policy. The proposed new versions of these established policies will ensure that is the case.

Comments checked by: Amy Jones, Solicitor, 01295 221987 amy.jones@cherwellandsouthnorthants.gov.uk

### **Risk implications**

7.9 The Council would be at risk of challenge and reputational harm in the event it did not have suitable policies in place setting out how it will discharge its licensing responsibilities and the HMO standards it will apply. The new policies will address that risk and are intended to ensure that the Council can enforce appropriate

standards in HMOs and assess and process HMO licence applications effectively. There is no reputational risk to the Council in applying these policies, but conversely, there would be a risk if it failed to adopt these updated policies and continued to apply the 2012 versions. This will be managed at an operational level and escalated as and when necessary.

Comments checked by Louise Tustian, Team Leader, Insight Team; 01295 22 1786; <a href="mailto:louise.tustian@cherwellandsouthnorthants.gov.uk">louise.tustian@cherwellandsouthnorthants.gov.uk</a>

### **Equalities implications**

7.11 Vulnerable people frequently have the fewest options when finding private rented accommodation and are often restricted to poorer quality homes. These policies will ensure that the Council is best placed to deliver an effective licensing regime, can enforce appropriate standards and licence conditions and also ensure that landlords and managers are 'fit and proper persons'. The policies therefore have the potential to help HMO residents by ensuring their landlords provide accommodation that meets appropriate standards.

Comments checked by Caroline French, Policy & Projects Officer, Business Transformation Team 01295 251586; Caroline.french@cherwellandsouthnorthants.gov.uk

### 8.0 Decision Information

**Key Decision** 

Financial Threshold Met: No

Community Impact Threshold Met: No

#### **Wards Affected**

ΑII

### **Links to Corporate Plan and Policy Framework**

Corporate Priorities to Serve the Residents and Business and Safeguard the Vulnerable

Joint Business Plan 2018-19: Thriving Communities and Wellbeing - Provide and support health and wellbeing; Safeguard the vulnerable

#### **Lead Councillor**

Councillor John Donaldson, Lead Member for Housing

# **Document Information**

Appendix No	Title
Appendix 1	HMO Standards Policy
Appendix 2	HMO Licensing Policy
Background Papers	
None	
Report Author	Tim Mills, Private Sector Housing Manager
Contact	01295 221655
Information	Tim.mills@cherwellandsouthnorthants.gov.uk