



# Additional Licensing of Houses in Multiple Occupation (HMO'S)

Is a discretionary power to extend licensing to smaller types of Houses in Multiple Occupation (HMOS). Local authorities have the general consent to introduce such schemes subject to local consultation.

In order to introduce Additional HMO Licensing schemes, local authorities are required to consult with local residents, landlords and tenants for a minimum of ten weeks. They are subsequently required to provide a robust evidence base for introducing a scheme, such as demonstrating there are significant management issues and poor property condition that need addressing within a designated area.

Once a designation is confirmed landlords who operate within the designated area will be required to apply for an HMO licence for each of their properties within the area.

## Selective Licensing

This is a discretionary power to licence all privately rented properties in a designated area that is deemed to suffer from low housing demand and/or significant and persistent anti-social behaviour. Such schemes are subject to local consultation.

Selective Licensing is intended to address the adverse impact that poor management by a minority of private landlords, and antisocial behaviour by a few tenants, can have on other tenants and the wider community. Selective Licensing is only concerned with the management of privately rented property, not property condition

In order to introduce a selective licensing scheme local authorities are required to consult with local residents, landlords and tenants for a minimum of ten weeks.

Local authorities are required to provide a robust evidence base for introducing a scheme, such as demonstrating there is anti-social behaviour or significant management issues that need addressing within a designated area. Once a designation is confirmed landlords who operate within the designated area will be required to apply for a licence for each of their properties.

## Special Interim Management Orders

This is a power to take over the management of individual privately rented properties which give rise to significant problems of anti-social behaviour if the landlord does not take action to deal with the problem. Local authorities can use this power to tackle serious anti-social behaviour emanating from individual privately rented properties that are causing problems for the local community, without the need to introduce a selective licensing scheme.

Local authorities will require approval from a Residential Property Tribunal in order to make a Special Interim Management Order. In order for it to be granted the local authority will need to demonstrate that a private landlord is failing to address the anti-social behaviour and that the Special Interim Management Order is necessary to protect the health, safety and welfare of occupiers, neighbours or visitors to the property.

Once in force a Special Interim Management Order will last for a period of up to twelve months at the end of the term of the Interim Management Order, there is a consultation and notification procedure which must be followed.

## **Arguments on Additional and Selective licencing**

### **Anti-Social Behaviour**

Anti-social behaviour (ASB) is a fundamentally local issue<sup>1</sup>, thus councils focussing on a specific ward or the entire council area are not looking at anti-social behaviour in the same way as the Home Office;

Additional/Selective Licencing will not resolve the issue of ASB alone; as it will not have a legal basis to address the issues. Where problems exist councils can use the following powers to address anti-social behaviour,

- Use of Criminal Behaviour Orders,
- Crime Prevention Injunctions
- Issuing improvement notices to homes that don't meet the decent homes standard

Councils need to take a holistic approach when tackling ASB as well as tackling the underlying behaviour causing the problems,

- What is the cause of the ASB is it an alcohol related problem, vice related issues, a drug related problem, have certain residents got issues with anger management? Treating the underlying issue is important
- What measures are councils putting into place to tackle these underlying issues in the area?
- How are they bringing in and co-ordinating other agencies e.g. health, police?

### **Wider licensing issues**

The issue of ASB cannot be addressed by licencing – as it does not deal with the underlying issue of ASB. Councils need to have a co-ordinated approach including all the different local government agencies such as social workers, community cohesion workers as well as include those from outside such as police in tackling ASB.

The cost of licences could be transferred to the tenants as part of their rent. As the licence is for X number of years, the landlord should be able to pay for the licence over X number of years. The reason for this is if it is paid up front the landlord will wish to reclaim the cost as quickly as they can. If a new landlord comes into the market in a subsequent year the cost will increase the rent disproportionality to their competitors.

The introduction of licencing will drive out landlords to other areas. As student numbers are dropping and the increase in the private rented sector is a result of growing numbers of young professionals, increasing the cost of accommodation will drive tenants to areas which are cheaper. This runs the risk of creating ghost areas as community services and shops are reduced.

### **Questions on the implementation of Additional/Selective Licencing for councils?**

- How will the council demonstrate that the designation has reduced/eliminated the problem identified?
- What are the measuring matrices that the council will be using?
- What is the data baseline from which the council is measuring?
- What additional resources is the council providing to target the problems identified – as the current resources are proving inadequate? If they are not introducing new resources then they are saying the resources they have at the moment are adequate in resolving the issue and there is no need to introduce licencing.

Additional/Selective Licencing will only register those landlords that operate within the law; it does not tackle the criminals who operate outside the law. The need to tackle those elements will not be resolved through licencing alone. The added cost to keep the register will draw resources from the prosecution of criminal landlords.

Like any other tenancy, rights and responsibilities lie both on the landlord and on the tenant. As with any other household, those in housing are required to behave in a socially acceptable way – Additional/Selective licencing does not address this issue.

Additional costs through Additional/Selective Licencing will be transferred through into rent to the tenants, this will increase their housing costs.

<sup>1</sup>PUTTING VICTIMS FIRST – MORE EFFECTIVE RESPONSES TO ANTI-SOCIAL BEHAVIOUR Home Office HM stationary May 2012

## Section 215

Section 215 (s215) of the Town & Country Planning Act 1990 provides a local planning authority (LPA) with the power, in certain circumstances, to take steps requiring land to be cleaned up when its condition adversely affects the amenity of the area. The council can serve a notice on the owner requiring that the situation be remedied. These notices set out the steps that need to be taken, and the time within which they must be carried out. LPAs also have powers under s219 to undertake the clean-up works themselves and to recover the costs from the landowner.

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