

Consultation Document.

Croydon Private Rented Property Licensing Scheme. [CPRPL 2020]

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This Consultation Document is the work of the Selective Licensing and Housing Enforcement Team, Public Protection, Public Realm, PLACE, Croydon Council.
16th December 2019.

1. Executive Summary

Everyone needs a decent, safe and secure home – it is the foundation of a good life. Croydon is a growing borough, yet the new education, employment and leisure opportunities available as part of that growth are not always matched by provision of good quality housing that our residents can feel safe and secure in. As a council we are determined to do everything required so that all in Croydon, regardless of tenure, have the chance of a decent, safe and secure home and good living environment.

The council is consulting on proposals to designate the borough, or a large part of it, as subject to a new selective licensing scheme under Part 3 of the Housing Act 2004. The current borough-wide designation comes to an end on September 30th 2020. A new selective licensing scheme, alongside existing mandatory licensing of houses in multiple occupation (HMOs), would mean all privately rented properties in the designated areas would be required to be licensed for a further period of up to five years.

Croydon's private rented sector (PRS) has grown dramatically over the last decade; more than 35% of all homes in the borough are currently privately rented. The current selective licensing scheme, Croydon Private Rented Property Licencing [CPRPL2015], has been successful in that it has given the council a stronger ability to deal effectively with poor property conditions and poorly managed homes; it has also provided a much better understanding of the borough's growing private rented sector. Over 35,500 properties are now licensed. Housing standards and anti-social behaviour have been tackled with robust enforcement action. A wider range of compliance has been enabled through the recent joined-up multi agency working with teams from council tax, trading standards, neighbourhood safety, police and other organisations. Selective licensing powers and enforcement of conditions have provided the impetus for this joint work stream.

The council proposes to continue with selective licensing in the borough, where evidence about poor housing conditions, deprivation and anti-social behaviour meets the statutory criteria for a selective licensing designation. Having reviewed the alternatives, the council considers that selective licensing is the most effective means of regulating and improving the condition, management and occupation of privately rented properties; it therefore believes that a large-scale renewal of selective licensing is necessary to continue and build on the success of the current scheme in addressing poor housing conditions and a range of other issues associated with private rented housing.

The council appreciates and works constructively with the vast majority of landlords who let their properties responsibly. The private rented sector is nonetheless disproportionately affected by poor housing conditions, especially when compared with other sectors; and enforcement officers are still finding private rented properties in very poor condition. Evidence tells us there is a growing residual slum tenure for private rented sector households on low incomes, whose needs are being neglected. (Rugg and Rhodes 2018).

The evidence presented in this document highlights the scale of problems relating to poor housing conditions in Croydon's private rented sector. In Croydon 23.7% of privately rented homes are thought to have a Category 1 housing hazard (Metastreet 2019). Nationally, 14% of privately rented homes had at least one Category 1 hazard

(English House Condition Survey 2017-18 (EHCS)). Some parts of Croydon with high numbers of private rented homes also have relatively high deprivation (IMD September 2019). Croydon ranks as the 102nd most deprived borough in England out of 317. Finally, anti-social behaviour continues to be significant and persistent in some parts of the borough.

While Croydon's existing selective licensing scheme has enabled us to make progress on tackling housing standards and poor management practices, there is still much scope for improvement. The private rented sector is hugely important to our borough, providing local people with decent, flexible accommodation and vital support for our local economy. The proposals outlined below are integral to Croydon's wider housing strategy and are vital to ensuring the future sustainability of the private rented sector, ensuring existing social and private homes become *Good Quality Homes*; we therefore urge you to consider them carefully.

Under new legislation introduced in 2015, local authorities are required to obtain confirmation from the Secretary of State for any selective licensing scheme which would cover more than 20% of their geographical area, or would affect more than 20% of privately rented homes in the local authority area [Order 2015]. This consultation paper presents evidence of poor housing conditions, deprivation and anti-social behaviour linked to the private rented sector. It explains how a renewal of the selective licensing scheme covering private rented properties in Croydon 2020 would see resources used to improve these problems. The paper proposes three options for a new scheme, with one part-borough scheme covering just over 22 wards, and two full-borough schemes. All three schemes cover between 92.5% and 100% of the borough's private rented homes.

Responding to the consultation. The council welcomes your input through the forthcoming consultation events and on-line questionnaire. We are seeking your views about:

- Our objectives in relation to private rented accommodation in Croydon;
- Our proposal to continue with private landlord licensing from 2020 onwards;
- The proposed options, licence conditions and fees; and
- Any alternatives that you think we should consider.

Whilst the council has undertaken a detailed analysis in getting to this stage we are also committed to listening carefully to the results of the consultation before making any decision about how to proceed. If Cabinet did decide that a new licensing scheme would be desirable, an application would then be made to the Ministry of Housing, Communities and Local Government (MHCLG). The UK Government would then either support or refuse an application, based on all of the evidence presented.

The consultation runs from Monday 16th December 2019 until the end of Monday 9th March 2020 and is being conducted and reported independently by Opinion Research Services [ORS] on behalf of Croydon Council.

We look forward to hearing from you.

Information:

www.croydon.gov.uk/betterplacetorent : CPRPL licensing consultation [LINK](#).
CPRPLconsultation@croydon.gov.uk

2. Borough Summary

Croydon is a diverse, friendly and vibrant borough full of people living busy lives and helping to create supportive communities. Croydon is growing quickly and our population will soon exceed 400,000 – we are one of the largest boroughs in London. The Office of National Statistics (ONS) population estimate for Croydon as at 2018 was 385,346. This makes Croydon the 2nd most populous London borough (Figure 1). Families are moving here, often as housing is more affordable than in other parts of London, and people are living longer.

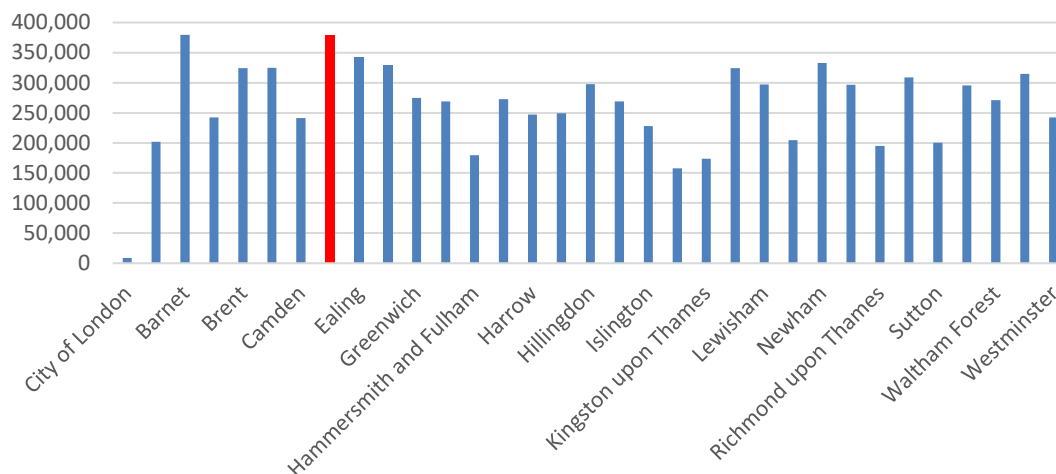


Figure 1. Population estimates by London boroughs (Source: ONS 2017).

The redevelopment of Croydon town centre will be a major focus over the next four years. It will provide new jobs, homes and investment into the heart of Croydon. Croydon has high levels of employment and, as investment continues, it brings new and exciting opportunities. Croydon is well-connected via road and rail to the south coast, central London and beyond. In 2017 alone, approximately 5,000 properties were built in the area around East Croydon Rail Station. Planned improvements to local infrastructure and cultural facilities will also support growth in the numbers of new jobs and businesses. Croydon has a thriving business sector, with many established organisations choosing to set up their headquarters here.

However many local people cannot afford to buy or rent a home in Croydon. Despite both the economy and employment levels showing positive trends, Croydon is still a low earning borough where many full-time working residents earn below the inner London median gross annual wage of £34,473 (ONS 2014). 24% of employees in Croydon are low-paid, the highest level of any borough in South London (London’s Poverty Profile 2017, Trust for London). The English House Condition Survey 2017-18 (EHCS) records that the proportion of household income spent on rent was higher for private renters in London (42%) than for the rest of England (30%). Private renters pay double the rate that most mortgagors pay, so it is important that they receive a good service. Private sector rents in London have increased by 23% since the start of 2011, whilst over the same period the median rate of the local housing allowance (LHA), the maximum rent that could be covered by housing benefit, available for a two-bed property, has risen by only 9% (London Mayor Blueprint).

Nationally average house prices are over 10 times average incomes. Median (value at midpoint) house prices are over 11 times median incomes. Median rents are

between £116 and £262 per month more expensive than LHA rates. The Borough is the 5th highest in London for landlord evictions and 7th for homelessness acceptances when measured by 1000 rented households (Trust for London) (Figure 2). The consequence of these unsettled tenancies is that around 5,500 households are on the council's housing register, many more than can be housed either in council properties or through partner housing associations.

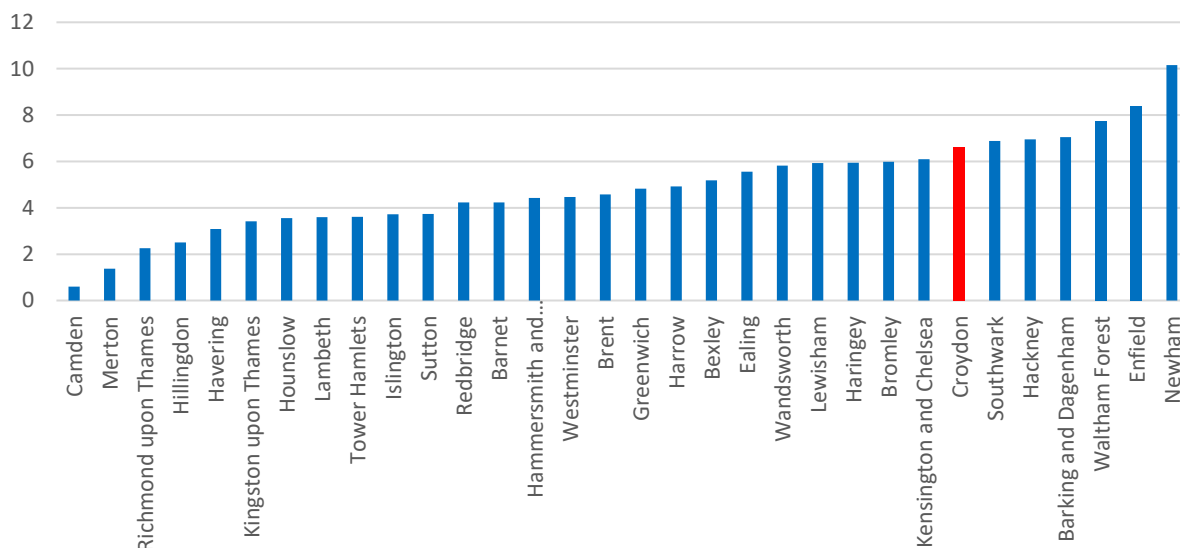


Figure 2. Homelessness acceptances per 1,000 households by London borough (Source: MHCLG 2016/17).

An increasing population alongside a reduction in available funds mean demand for services, including housing, far outstrips supply. The quality of current housing provision is therefore ever so important. Council services need to act corporately at source to tackle private rental problems. Selective licensing provides the regulatory framework, setting the standard through sharing knowledge about how to rent, ensuring wider compliance with housing and tenancy legislation, increasing landlord involvement with their properties and rooting out rogue landlords.

The EHCS suggests that private tenant satisfaction with their home falls behind the other tenures. Licensing, through the conditions placed on a landlord, helps ensure compliance with the breadth of housing and tenancy legislation. This framework is invaluable, for the majority of landlords who take on the responsibility of renting act not as a business but as an individual or in a couple; nationally 89%. (Rugg and Rhodes 2018). Access to information increases compliance and reduces the likelihood of falling foul of an increasing range of legislative requirements. Licensing helps compliance with deposit protection, creating sound tenancies, ensuring property safety, choosing the right tenants, promoting frequent property inspections to identify and rectify hazards, engagement with tenants and the proactive approach consequently helps with the aim of making Croydon a Better Place to Rent.

Croydon is made up of many places and the council aims to use local knowledge, insight and data analysis to tailor and adapt the approach across the borough. What works and is needed in New Addington, might not be what works or is needed in Coulsdon. Croydon is a large borough, bordered by two Surrey Councils and inner and outer London Boroughs. Croydon needs targeted solutions to local needs and a proactive approach to address issues before they become larger problems.

3. Private Rented Sector in Croydon

Over the last two decades, levels of private renting in Croydon and London have risen dramatically. The private rented sector grew in Croydon by 69% between 2001 and 2011 to 21% (ONS 2011); nationally growth was 79%. Croydon now has the highest number of private rented properties of any London borough, and likely more private renters than any borough in England. Research indicates there are 58,585 private rented properties in Croydon equating to 35.6% of the borough’s total housing stock.

In 2018, nationally, 19% of households were in the private rented sector (PRS) with the proportion across London at 26% (EHCS). The size of the PRS in London is projected to grow to 40% by 2025; this 50% increase is within the lifetime of the proposed designation (London Mayor Blueprint 2018).

Diagram 1: Tenure profile 2006 & 2019 (Source: ONS & Metastreet 2019).

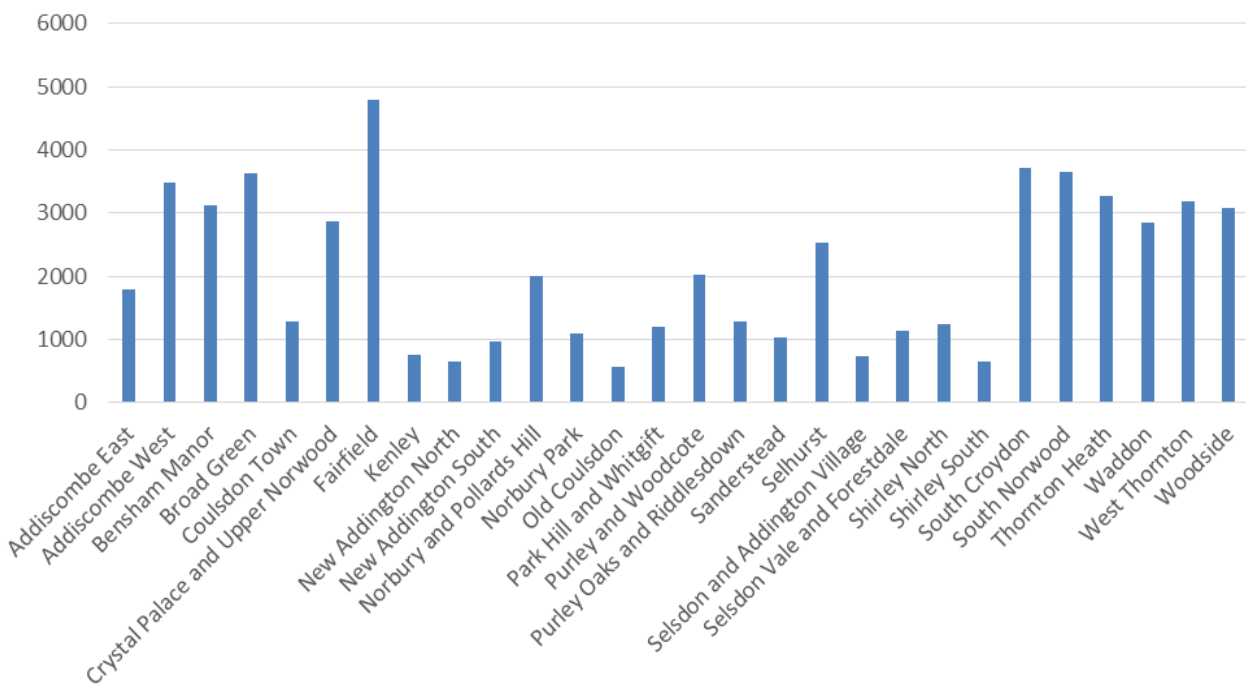
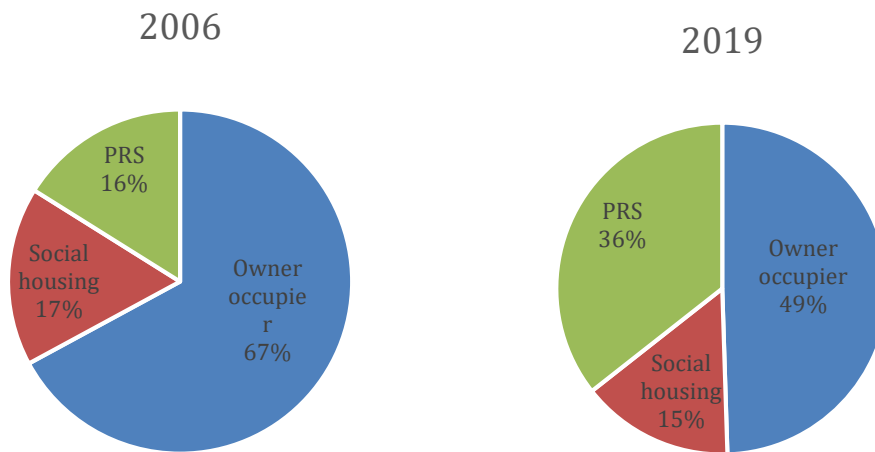
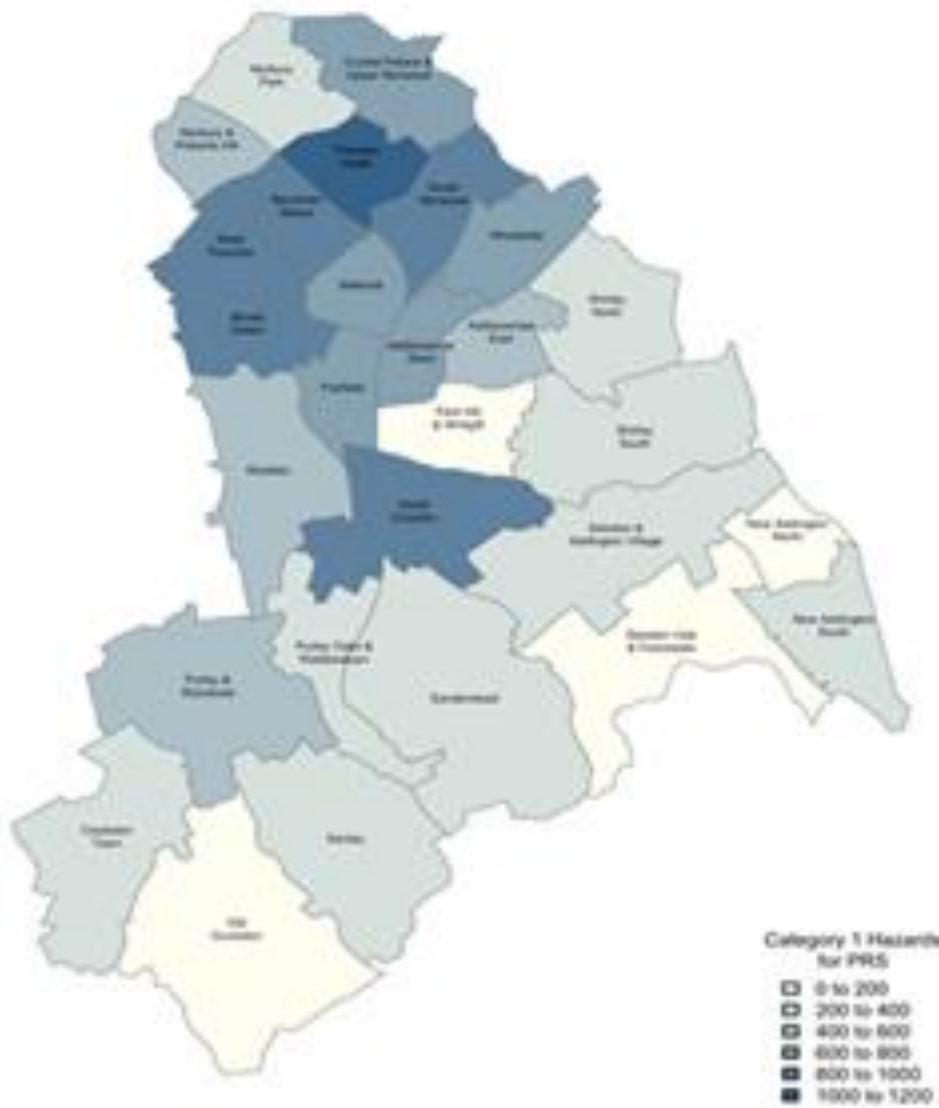


Figure 3: Number of PRS dwellings by ward (Metastreet 2019).

The social rented sector (including council properties and registered providers such as housing associations) represents 15% of the borough's housing stock (Diagram 1). The PRS in Croydon is distributed across all 28 wards. The number of PRS per ward ranges from 4,792 (Fairfield) to 570 (Old Coulsdon) (Figure 3)

The Metastreet 2019 report found that poor housing conditions are prevalent in Croydon's private rented sector. In total 13,896 private rented properties are predicted to have at least 1 serious hazard. This represents 23.7% of the private rented stock with the distribution shown in Diagram 2. Nationally Category 1 hazards are found in 14% of the PRS.

Diagram 2: Ward based incidents of Category 1 hazards.



There are 317 Local Authorities nationally. Croydon ranks 15th nationally for 'Barriers to Housing Services', one of the seven categories used in the Index of Multiple Deprivation scoring (IMD 2019) (Table 15). Croydon's residents face significant challenges finding decent housing due to high demand and lack of affordable

housing. The house-price-to-earnings ratio is one of the highest in this part of London and helps to explain why private renting is the only option for a significant proportion of the community. The private rented sector plays a vital role in the borough; in 2019, an estimated 58,585 of 164,764 of Croydon’s households live in the PRS.

Private renters in Croydon face similar challenges to those in other London boroughs. Many families in the PRS are suffering acute stress in that a substantial proportion of their income goes on rent leaving little else for other living costs (Trust for London). This financial stress is often exacerbated by poor housing conditions, insecurity of tenure and environmental problems (Rugg and Rhodes, 2018). Croydon has more than the London average of households living in fuel poverty by ward (Figure 4).

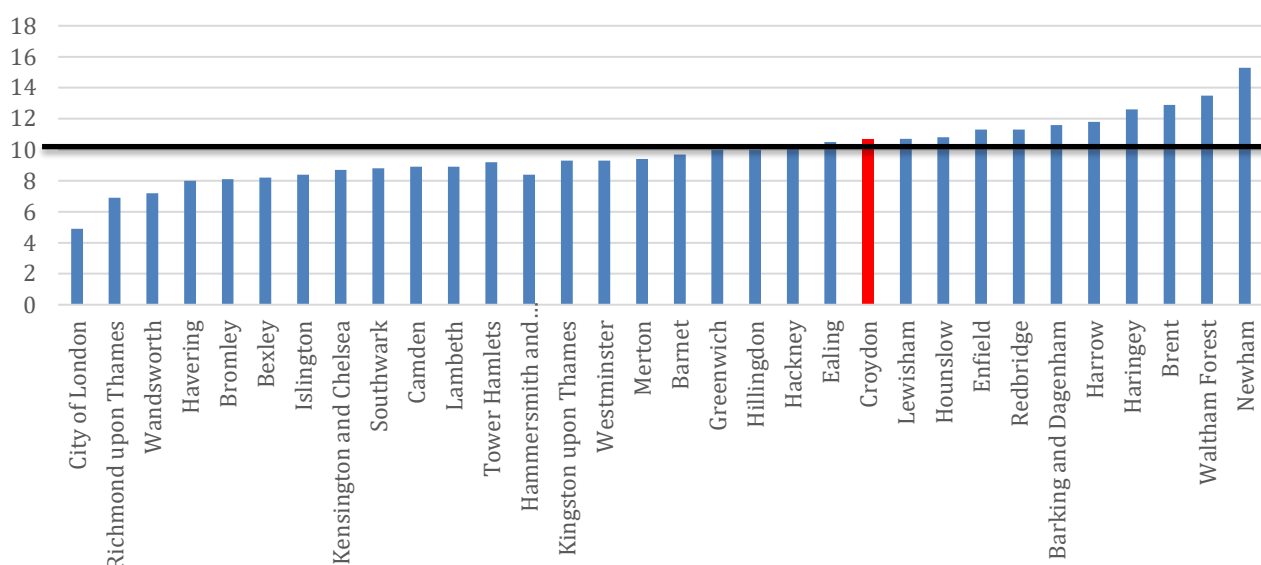


Figure 4. Proportion of households in fuel poverty (%) by ward (BEIS 2016). Horizontal line shows London average (10%).

Croydon Council declared a climate emergency on 8 July 2019 restating its commitment to tackle climate change. The current and proposed licensing scheme must play its part, as homes are currently directly responsible for 18% of all carbon dioxide emissions in the UK. Licensing can help focus on the estimated 27% of PRS properties in Croydon that have an E, F, and G energy performance rating. (Metastreet 2019). The current minimum energy efficiency standard is set at E.

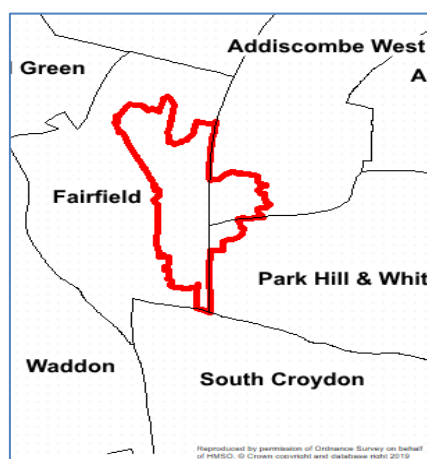
Many landlords operating in the borough take their responsibilities very seriously and provide well managed homes that are maintained to a good standard. However, there are widespread issues of disrepair and housing hazards in the private rented sector and poorly managed properties that give rise to significant anti-social behaviour. Demand exceeds supply in the borough, which in turn allows landlords to get away with renting out properties in a poor condition. To date the council has granted 19,236 different landlords a licence to rent a property, a significant number of landlords who all bear the responsibility of providing safe and warm homes.

Croydon’s current five year selective licensing scheme (CPRPL) began on the 1st October 2015 and is due to expire on 30th September 2020. During this time, the

amount of private rented housing in the borough has increased both by conversion of existing developments and new developments. However, while the level of private renting has risen in Croydon, it is reducing or static in neighbouring authorities. In 2017 the Grenfell Tower fire emphasised the need for clear fire safety measures and advice in residential properties, particularly tall buildings. Croydon has in excess of 41 high rise buildings within the borough; many concentrated in the Fairfield ward in and around East Croydon station. High rise buildings defined as being over 6 storeys (18 metres), and new and converted buildings are increasing the number of properties available for renting.

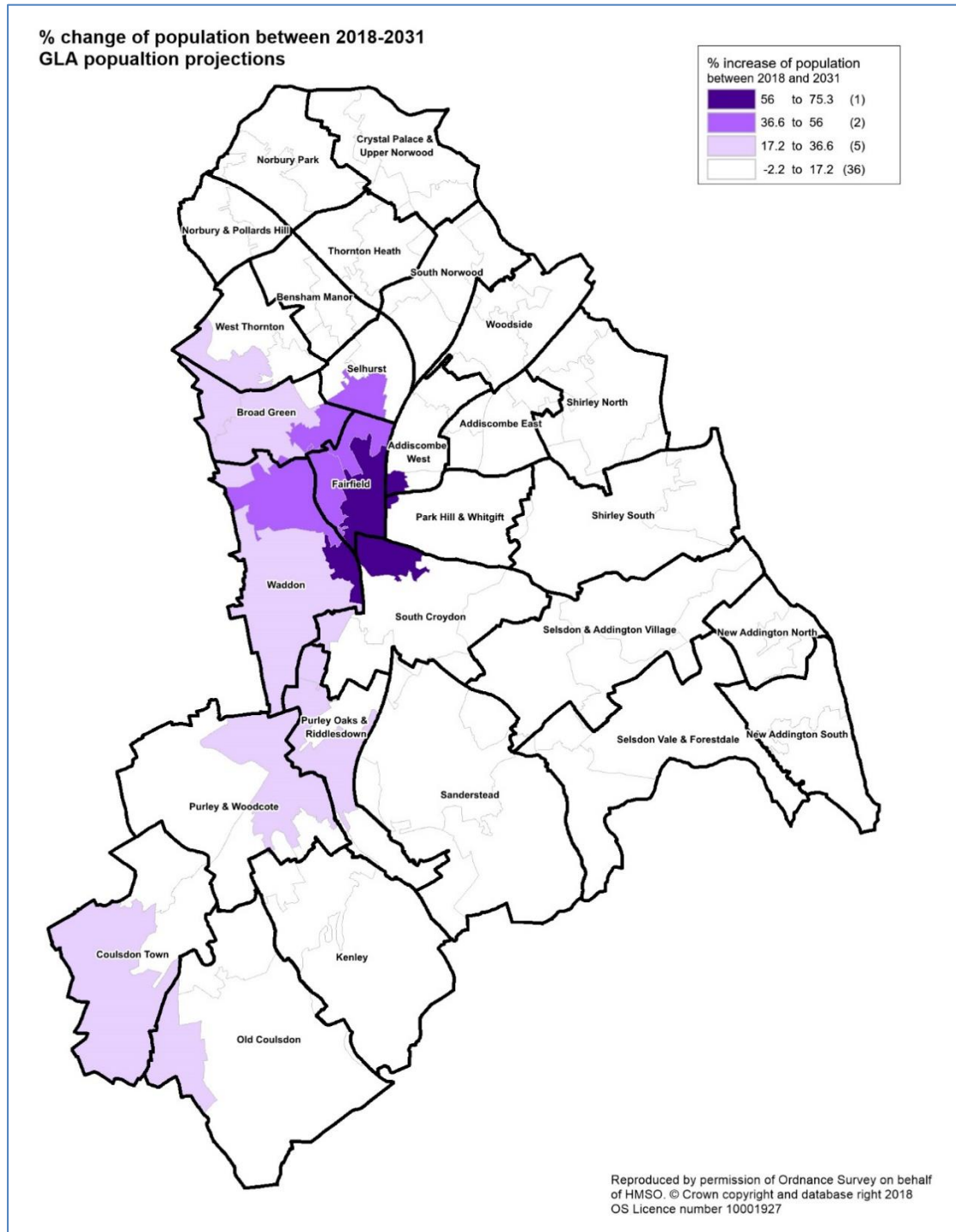
This lower layer super output area (LSOA) (red boundary in Diagram 3) in the town centre saw an increase in the population of 24% between 2016 and 2017 (2,175 in 2016 and 2,692 in 2017). It's the only LSOA in Croydon that increased by more than 10% during this period. Diagram 4 has the wider borough perspective on projected population increases. A new licensing scheme will help prepare council services to respond to the pressures that come from growth through a significantly increased PRS.

Diagram 3: The population within the red boundary grew by 24% in one year, 2016/17



On October 21st 2019, Croydon Council's Cabinet resolved to approve the draft priorities for a Housing Strategy and Action Plan for Croydon and authorised the commencement of a process of consultation and engagement with key external stakeholders to develop the strategy and action plan. The Housing Strategy has three strategic priorities with one being to ensure existing social and private homes become Good Quality Homes. The Cabinet report recognises the important partnership between the council and private landlords and the need to advise, train and support landlords, including through the regular Landlords' Forum and newsletter. Additionally, it recommends the continued enforcement of private renting standards and following consultation, seeking approval from the Secretary of State for a new selective licensing scheme in 2020. The licensing scheme has increased the partnership with landlords, each forum attracting an attendance of about 250 to 300 people.

Diagram 4: % change in population projected between 2018 and 2031



4. Property licensing – national and regional context

The private rented sector has doubled in size since 2002 and now houses 19% of households in England (EHCS). Alongside the growth of the PRS, some local authorities noted an increase in the prevalence of sector problems such as:

- anti-social behaviour;
- poor property conditions;
- low housing demand and elevated levels of crime;
- deprivation; and
- migration.

The Housing Act 2004 introduced selective licensing to give local authorities an additional tool to tackle problems associated with private renting. Part 3 of the Housing Act 2004 gave local authorities the power to designate areas of selective licensing to help tackle anti-social behaviour and low housing demand. In 2015, conditions for designation were expanded to include poor property conditions, high levels of crime, deprivation and migration [Order 2015].

Licences contain conditions with which the applicant must comply over the life of the property licence. Local authorities inspect properties in the area and enforce compliance with the conditions of the licence. The licence requires payment of a fee in two parts, part A due at the point of application which covers processing of the application and part B due at point of issue, which supports the cost of associated enforcement of the scheme. Subject to limited exemptions, a valid licence must be held by the appropriate responsible person in respect of all privately rented properties in such a designated area, typically the landlord or managing agent.

Licence conditions are broad but not too onerous focusing on safety, management and tenancy matters. The conditions generally ensure the licence holders act compliantly with a wider range of legislation. The EHCS makes this point with respect to tenant's deposits. It found that 76% of private renters report paying a deposit at the start of their current tenancy and of these, 73% reported this deposit was protected in one of the Government authorised tenancy deposit protection schemes. Surprisingly, 20% of tenants did not know whether their deposit was protected with one of these schemes. Following a request from Croydon Landlords a [guide](#) was made available that helps with the preparation for a licensing inspection.

In spring 2019, the Government published an Independent Review of the Use and Effectiveness of Landlord Licensing. The research indicates that selective licensing can be an effective tool, with many schemes achieving demonstrable positive outcomes, and that schemes appear to be more successful as part of wider housing initiatives. In brief, the review found that licensing focuses resources; provides clearly defined offences; helps bring other problems to light through proactive inspections; provides a clear means through which local authorities engage landlords; and enables intelligence gathering and promotion of joint working within the authority and other agencies.

In London, the Mayor of London's Rogue Landlord and Agent Checker has an important function in enabling local authorities to share information on rogue landlords. Strategically, licensing can help identify and prevent rogue landlords, who operate across borough boundaries, from transferring their operations from one borough to another.

5. Review of the borough's current licensing scheme

Background

In England, the social rented sector is subject to comprehensive regulatory regimes which actively promote the interests of tenants and ensure that social landlords take a proactive approach to addressing their tenants' needs. Social landlords are also responsible for dealing with issues such as anti-social behaviour and waste management problems such as fly tipping. In contrast, the private rented sector is not subject to similar regulation. Local authorities can take statutory action when problems arise in private rented properties, however they can only intervene after the event and nearly always because a tenant complains. However, tenants may be too frightened to complain for fear of a retaliatory or "revenge" eviction (Citizens Advice 2018).

Selective Licensing allows local authorities to adopt a much more proactive approach to raising housing standards as licensing conditions are primarily aimed at good practice to prevent problems arising. In Croydon, by encouraging landlords to meet their responsibilities through proactive engagement, licensing inspections and monitoring and enforcement work, it is hoped that we can make the borough a better place to live and work for all residents.

Croydon Private Renting Property Licensing 2015-2020 [CPRPL 2015]

Croydon's current, borough-wide selective licensing scheme began in October 2015 and will expire on 30th September 2020. As of August 2019, there were 35,500 licensed private rented properties. The scheme was introduced primarily to help the council combat PRS anti-social behaviour issues. Additionally inspections allow the scheme to tackle a much broader range of issues including environmental matters (rubbish collection, recycling and property efficiency) and social issues (tenant health, welfare, income or debt management matters) including referrals to other Croydon services such as ['Just Be'](#) and ['Healthy Homes'](#).

The council's general approach to the administration and management of the scheme has been one of light-touch enforcement and support for landlords, recognising that the majority in our borough are both responsible and co-operative. The approach has proved successful and would continue under any new licensing scheme.

Through CPRPL 2015-2020, landlords have been supported by:

- Being offered a discounted 'early-bird' licence fee for almost 23,500 licence applications made by landlords in the first three months of the original scheme.
- Being offered a 'first tenancy discount' for properties new to renting and where the application is received within the first month of the first tenancy.
- Holding well attended landlord forums, which have helped to provide information on changes to the law and have provided a platform for landlords to raise queries and concerns.
- Electronic newsletters giving much needed advice to the 19,236 licence holders on compliance with existing regulations, the requirements of new legislation and on other local initiatives.
- Providing a 'level playing field' for responsible landlords, by taking strong enforcement action against landlords who do not sufficiently invest in their properties and who fail to meet their legal obligations.

- Increasing the professionalism and accountability of private landlords, whilst ensuring greater compliance with planning and building regulations.
- Supporting landlord skills development by hosting the London Landlord Accreditation Scheme training.
- A discount on council pest-control services.
- Providing advice through a telephone service and on-line advice leaflets.

As of August 2019 and just less than 4 years into the scheme, CPRPL 2015-2020 has produced the following results:

- 35,500 licences issued.
- 11,105 inspections of licensed properties carried out and action taken. These inspections produced the following results:
 - Satisfactory outcome – 8,010 – 72%
 - Breaches of selective licensing conditions – 1,980 – 18%
 - Enforcement action – 1,115 – 10%
- 806 Improvement Notices (formal and informal) served under Section 11 or Section 12 of the Housing Act 2004 – 49% (391) of which have been complied with. Many notices are in abeyance awaiting the outcome of legal proceedings and sales.
- 33 financial penalties issued and prosecutions taken.
- 51 Prohibition Orders served over a three year period 2016-2018. 15 Prohibition Orders in the first six months of 2019. This compares to 18 Prohibition Orders served over three years prior to the scheme 2012-14.
- Many multi-agency projects (completed, ongoing and planned).

At a time of significant pressure on local authority finances, our selective licensing scheme has enabled us to fund a proactive enforcement capability to deal effectively with property management issues in the private rented sector. The early stages involved significant proactive work to inspect licensed properties. Landlords engaged with the Council through the proactive inspection programme, and being committed their properties were in less need of substantial improvement; with 72.5% found to be satisfactory.

Robust enforcement and the imposition of strong sanctions by the council, enabled by licensing, have proved to be a significant incentive to landlords to act responsibly and to comply with their legal obligations. Through targeted enforcement action, licensing has enabled us to provide a genuine and tangible deterrent to the minority of criminal landlords in the borough, for the benefit of their tenants and the wider community.

Our officers have helped to improve the condition of privately rented properties and have held landlords to account for failures to licence their properties or for breaches of licence conditions. The standard of professionalism amongst landlords in the borough has improved as a result and tenants are better informed about their rights. They are also better protected from illegal eviction and can get support from the licensing team to ensure their rented home is of a good standard.

Licensing has also enabled the council and local residents to better understand the private rented sector. Some licence details are kept on a public register, which allows new tenants and neighbours to access information. This is particularly useful when neighbours want to raise issues about anti-social behaviour, property conditions, or something else that is concerning them about the property or tenants. Intelligence from the selective licensing database allows us to make *early* interventions, which

means that the issues can be dealt with proactively instead of reactively. This is a saving in terms of both cost and time.

The council allows members of the public to report an unlicensed property using an anonymous on-line reporting tool. In the 12 months to 31 August 2019 the council received 215 referrals. Following investigation it was found that 144 referrals were unlicensed (67%) properties. By contacting the owner, 81 of these properties were quickly licensed (56%) and the remainder were passed onto officers to commence enforcement action.

As of August 2019, there are estimated to be up to 10,000 unlicensed properties in Croydon, after licence exemptions have been taken into account, such as properties used for temporary or emergency accommodation (Metastreet 2019). Newly available data on unlicensed properties at the property level will be used to support enforcement work in the final twelve months of CPRPL 2015-2020. The council will look to use the full range of powers from a simple caution, financial penalty, prosecution, rent repayment order and ultimately the banning order. The council recognises that there is much more it can do and robust enforcement will be central to the development of a new successful designation; if approved.

Selective licensing has underpinned an effective, intelligence-led programme of property audits and successful joint operations with internal and external agencies, including the Metropolitan Police, London Fire Brigade, and UK Border Agency. The sharing of information between council teams – including debt recovery, neighbourhood safety teams, planning enforcement, council tax and the anti-social behaviour team – has enabled them to work together to tackle and resolve property-related issues using the powers, information and resources that selective licensing provides, in tandem with other agencies' powers.

One of the key benefits of a selective licensing scheme is that it facilitates joint-working across service boundaries. Many of the most vulnerable tenants face multiple problems which may include poor housing conditions and living environment, fuel poverty, problems accessing public services, or the anti-social behaviour of a neighbouring tenant. The object of selective licensing is to ensure that landlords are professional and take responsibility for dealing with problems which focus on or emanate from their properties.

Private rented properties are increasingly used for unlawful purposes such as for growing or smoking cannabis, or housing illegal immigrants/ trafficked individuals who are often employed in conditions of near slavery. Selective licensing provides a framework for the council to take a lead in bringing together other appropriate agencies to take a holistic approach to all the problems which may be present at a single address. The council's experience of operating selective licensing in the borough has demonstrated the importance and effectiveness of property licensing to both improving conditions in the private rented sector and to tackling a wide range of civil and criminal issues.

Much of the work being undertaken in recent months is helping prepare the ground for a more effective future designation; if an application for designation is made and approved, which is subject to this consultation. Preparation includes improved use of intelligence, established procedures ready to tackle wide ranging problems, a corporate approach to tackling the problems presented, increased efficiencies and more highly skilled, qualified and trained staff. The new Metastreet data is being

used additionally to identify further unlicensed premises. The increased number of landlords undertaking proactive property management with the tenants' interests placed at heart will inevitably reduce the demand on Local Authority services which can then be directed to alternative area concerns.

Case studies

London Road, Norbury

Following intelligence from a neighbour that there were breaches of licensing conditions in a flat over a shop, a warrant was obtained from the magistrates' court for an unannounced entry. In the early morning council officers accompanied by police and immigration enforcement officers entered the building via the open front door. 13 people were found to be living there in 5 rooms. Two residents were of interest to immigration and one person was of interest to the police. One room was occupied by four adults (a couple and two women). Another was occupied by the legal tenant, his wife and teenage son and another was occupied by adult twin brother and sister and her baby. There was no door to the only kitchen which was a severe fire hazard. There was only one wc and bath. The owner denied all knowledge of the sub-letting but officers still inspected all properties believed to be associated with the owner and his companies. No further serious breaches were found.

Cannabis Factories

During the first half of 2019 police dealt with 25 cannabis factories, nearly all of which were privately rented properties (eight were licensed). Council officers have visited all the properties concerned. All have since been (or are about to be) renovated. The cannabis growing has stopped and the landlords all deny any knowledge of the activities.

This project is ongoing and selective licensing officers are working with the police on a more routine basis which involves sharing intelligence and joint visits. This applies not just to the cannabis factories but to all illegal activities such as prostitution and anti-social behaviour.

London Road, Broad Green

Visited with Immigration Enforcement. First floor one bedroom flat occupied by a legal couple in the living room and three illegal adults who shared the bedroom. It seems reasonable to believe that the managing agent was fully aware of the situation here. A joint inspection programme for other associated properties is currently being arranged.

6. Overview of the consultation process

We are proposing to introduce a new selective licensing scheme (known as a “designation”) in Croydon to effectively regulate property condition, management and occupation and to support a targeted approach to tackling associated anti-social behaviour and deprivation in parts of the borough.

This consultation paper outlines our proposals and preferred approach. The consultation is open to all those likely to be affected by the proposals: residents, tenants, landlords, agents and businesses, statutory providers, support services, third party organisations, representative groups in Croydon and neighbouring boroughs. As required under 80(9) of Part 3 of the Housing Act 2004, we will listen carefully to the results of the consultation before making a final decision.

The consultation period will be 12 weeks from Monday 16th December 2019 until midnight on Monday 9th March 2020.

The consultation aims to consider:

- The role the council should play in ensuring Croydon is a Better Place to Rent with a high quality private rented sector.
- The various options available and whether a selective licensing designation is the most appropriate means of dealing with the identified problems.
- The consequences of choosing one option over another. See below for more detail on the proposed options for designation including the area to be covered.
- The proposed licence conditions and fees. See below for more detail including FAQs.

7. Property licensing – Statutory provisions in overview

Licensing of privately rented homes is provided for under Parts 2 and 3 of the Housing Act 2004. There are three different licensing schemes including a national 'mandatory' scheme that applies to certain Houses in Multiple Occupation (HMOs) and two discretionary schemes that local authorities can designate at a local level.

The licensing of certain HMOs is provided for under Part 2 of the Housing Act 2004. Under this law those who manage or have control of HMOs occupied by five or more persons forming two or more households, who share amenities such as kitchens or bathrooms, must obtain a licence authorising their occupation. As the licensing of HMOs falling within the statutory description is mandatory, we are not consulting about this.

Selective Licensing and the Law

Selective Licensing falls under Part 3 of the Housing Act 2004. The current Government Guidance on Selective Licensing sets out the statutory criteria for making a designation. Selective licensing is dependent on a designation by the local authority. Local authorities can designate an area for selective licensing for five years, but must follow clear steps. These include the need to first demonstrate the evidence for their concerns, to look at alternative approaches, to consult widely on the potential impact before reviewing and making a decision.

Under new legislation introduced in 2015, local authorities are required to obtain confirmation from the Secretary of State for any selective licensing scheme which would cover more than 20% of the total geographic area of the authority or would affect more than 20% of privately rented homes in the local authority area. The previous scheme was covered by a general designation not requiring Secretary of State approval.

The application process for selective licensing designation is rigorous. Approval is subject to recommendation from the Ministry of Housing, Communities and Local Government (MHCLG) and is at the discretion of the Secretary of State. Following approval a Local Authority must advertise the designation for a period of 12 weeks.

Section 80(6) of the Housing Act 2004 provides that a local authority may designate an area for Selective Licensing if:-

- the area is experiencing a significant and persistent problem caused by anti-social behaviour;
- some or all of the private sector landlords who have let premises in the area (whether under leases or licences) are failing to take action to combat the problem that it would be appropriate for them to take; and
- making a designation will, when combined with other measures by the local housing authority, or by other persons together with the local housing authority, lead to a reduction in, or the elimination of, the problem.

The Selective Licensing of Houses (Additional Conditions) (England) Order 2015 provides four additional criteria and must be read alongside Government Guidance. For these conditions to apply the Guidance requires that the level of PRS housing should be above the national average (19%) (EHCS 2017-18):

1. Poor property conditions

This condition is met if, following a review of housing conditions under section 3(1) of the Housing Act 2004, the authority considers a significant number of properties in the private rented sector need to be inspected in order to determine whether any of those properties contain Category 1 or 2 hazards. The Selective Licensing Scheme must be part of a wider strategy to tackle housing conditions, so that enforcement action under Part 1 of the Act can be prioritised, whilst ensuring through licence conditions under Part 3, that the properties are properly managed to prevent further deterioration. In this context “significant” means more than a small number, although it does not have to be a majority of the private rented stock. A comparison can be made with national and London figures.

2. High levels of migration

The Guidance states that a population increase of around 15% or more over a 12 month period would be indicative that the area has or is experiencing a high level of migration into it.

3. High levels of deprivation

When an area has a high level of deprivation when compared to other similar neighbourhoods in the local authority area or within the region.

4. High levels of crime

The Guidance suggests that to meet this condition the area has displayed a noticeable increase in crime over a relatively short period, such as in the previous 12 months, or the crime rate in the area is significantly higher than in other parts of the local authority area, or that the crime rate is higher than the national average.

In addition to proving the existence of one or more of the above criteria, it must also be shown how existing measures alone are not sufficient to tackle the underlying housing problems of a specific area. The designation should be part of the overall strategic borough wide approach, complementing existing policies on:

- Homelessness
- Empty Homes
- Regeneration
- Anti-social behaviour associated with privately renting tenants

Choosing the area or boundary to the Selective Licensing Scheme.

In legislation the area for the purposes of a selective licensing scheme designation is not defined. Many London licensing schemes see a designation formed by combining wards to create a larger designation that may or may not span the full borough. A lower layer super output area (LSOA) is a geographical area smaller than a ward. There are 28 wards in Croydon and 220 LSOAs. In Croydon some LSOAs cross one or more ward boundaries (Diagram 3). A LSOA contains between 400 and 1,000 households. In all options the council proposes an area of 22 wards with a further area added to create the action scheme proposed. Option 1 sees 16 lower layer super output areas (LSOAs) added to 22 wards. Options 2 and 3 add the further 6 wards with the difference between them being the primary evidence proposed.

8. Proposed property licensing options for Croydon

A substantial review has been undertaken of the evidence relevant to Croydon in line with the Selective Licensing Guidance for Local Authorities. In the exercise of its duty under Section 3(1) Housing Act 2004 to review housing conditions in its area, the council has generated an evidence base that enables it to predict, on a ward by ward basis, the number of privately rented homes in an area and the likely incidence of, for example, serious home hazards. This evidence, coupled with publicly available data and information generated through the operation of the council's current licensing scheme, demonstrates that the borough would benefit from a large-scale renewal of selective licensing in Croydon.

The evidence base (provided in Section 9) demonstrates that at least 22 and up to 28 wards meet one or more of the following criteria for selective licensing in that:

- They contain a high proportion of privately rented homes compared with the national average of 19%.
- Housing conditions in the area are poor and the council proposes to inspect them in order to take any necessary enforcement action.
- The area is experiencing a significant and persistent problem caused by anti-social behaviour, which some private sector landlords are failing to address.
- The area is experiencing high deprivation relative to neighbouring areas.

Based on the evidence, the council is proposing three options for a new selective licensing scheme. One option is a part-borough scheme covering just over 22 wards, and the further two options are full-borough schemes incorporating 28 wards (Table 1). All three schemes cover between 92.5% and 100% of the borough's private rented homes. The council believes the evidence base shows that the criteria for making a large-scale selective licensing designation is met and that it would be proportionate and justifiable to make a designation in most, if not all of the borough, to enable us to tackle the problems we are experiencing borough-wide.

The three options for selective licensing in Croydon

Table 1: The council is consulting on three options:

Option	Licensing scheme area.	Primary condition
One	A part-borough scheme (22 wards and 16 further lower super output areas)	Property condition, anti-social behaviour and deprivation
Two	A full-borough scheme (28 wards)	Property condition
Tree	A full-borough scheme (28 wards) (22 wards and 6 wards)	Property condition and anti-social behaviour

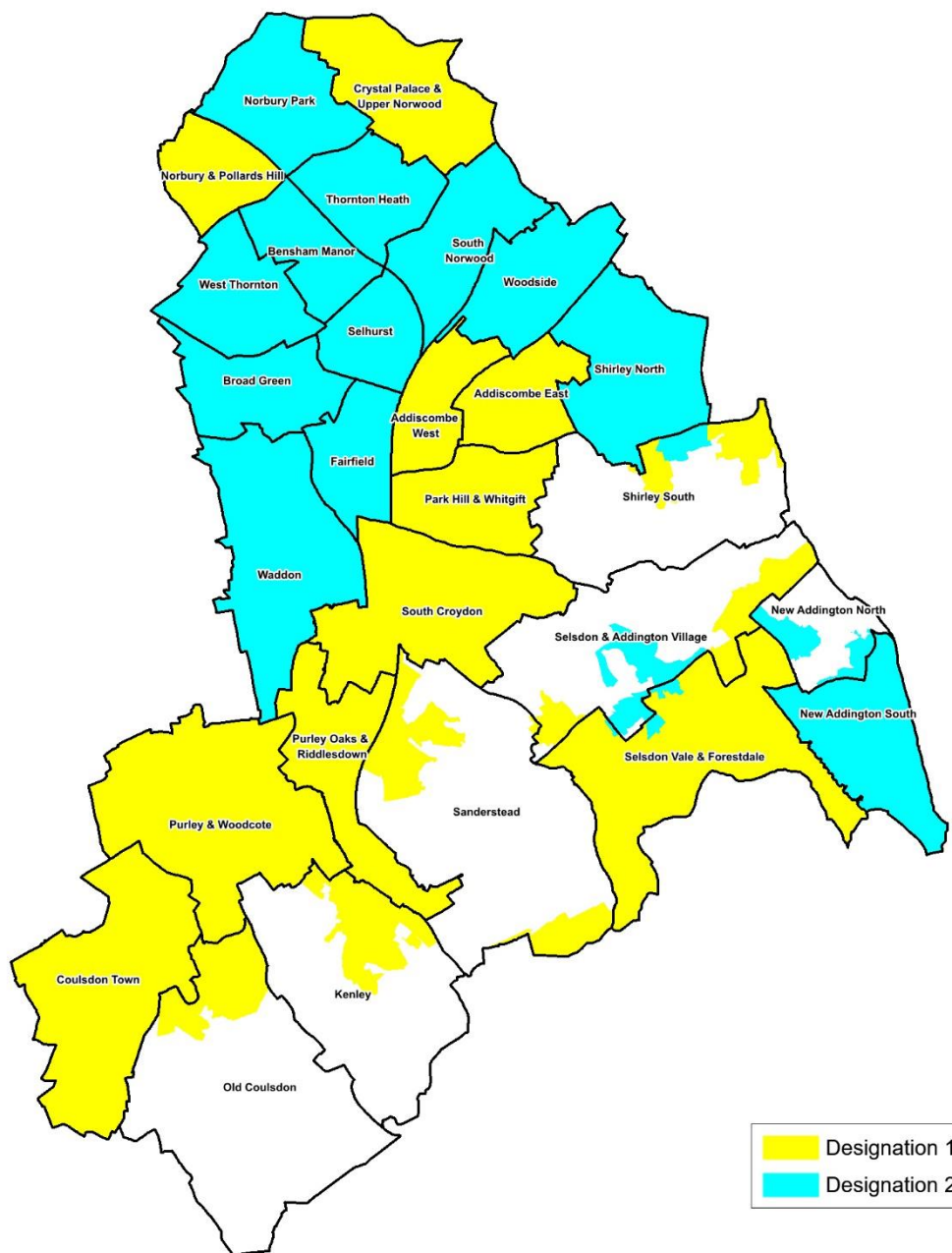
The council's preference is for a full-borough scheme.

The area of all three scheme options is greater than the 20% threshold set by the Government [Order 2015]. Where a decision is made by Cabinet to approve a new designation, an application will need to be made to Government. The Government's decision to approve a scheme will focus on the how the evidence base supports the preferred scheme. The proposed scheme must be supported with the necessary evidence. This section provides further details on the scheme areas and the information in Section 9 provides information on the evidence base.

Option One

A part-borough scheme that covers 22 wards and 16 lower super output areas. This option is formed by bringing together two smaller designations, one of 10 wards and one of 12 wards with the 16 LSOAs split. Here the focus is on property condition, anti-social behavior and deprivation.

Diagram 5 - Full map showing area of Option 1 – Designations 1 and 2.



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Diagram 6 - Designation 1.

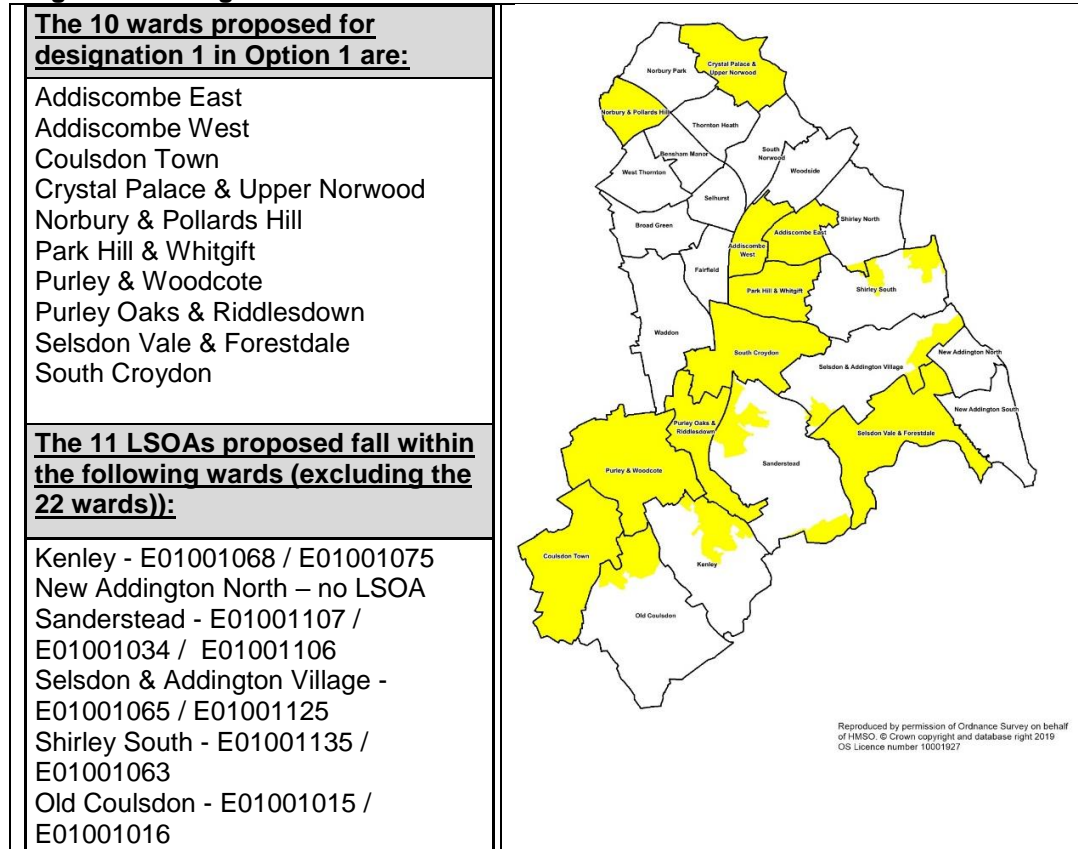


Diagram 7 - Designation 2.

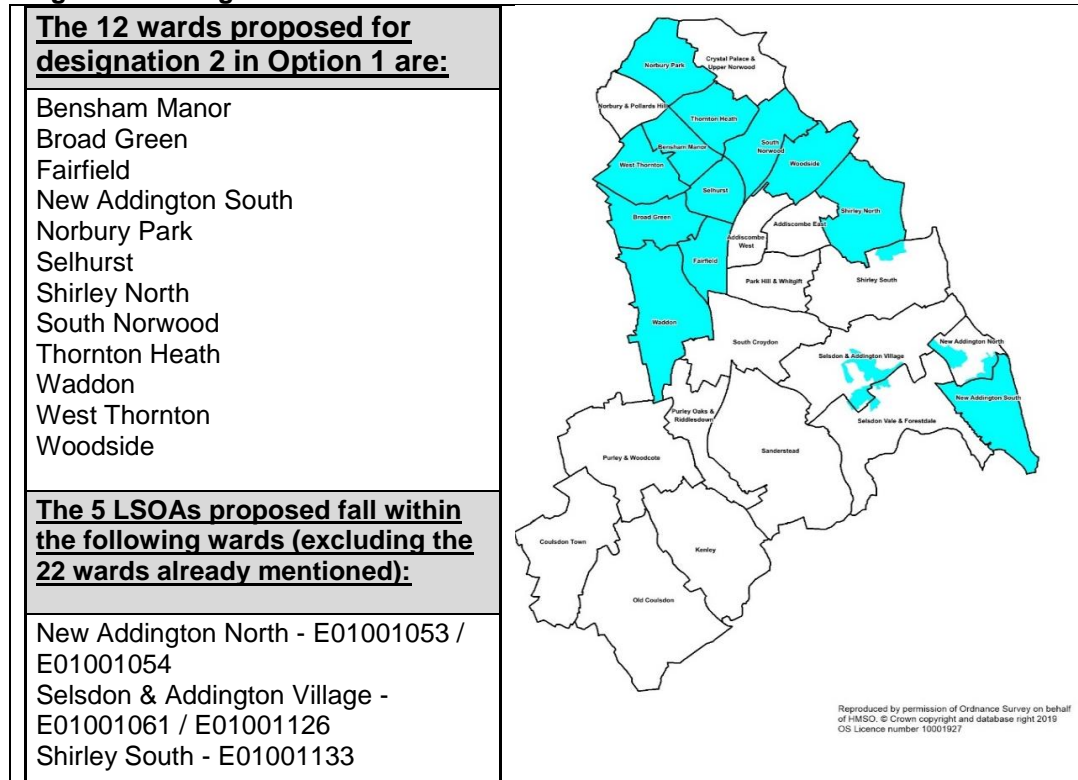


Diagram 8 – The 16 LSOAs linked with their identifying code. The LSOAs are either included in designation 1 or 2 of option 1.

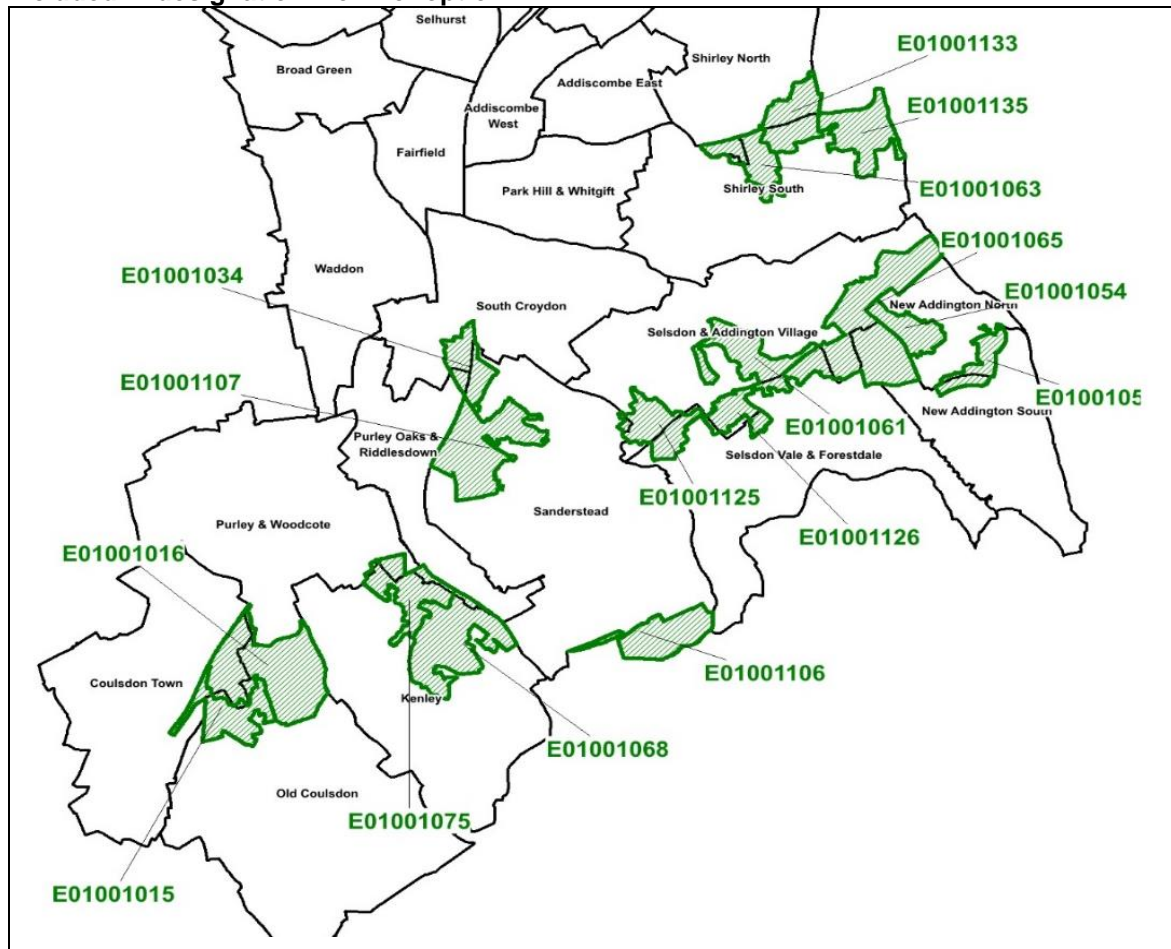


Table 2 – A list of the included LSOAs shown in Diagrams 3 and 6.

The 16 LSOAs proposed for Option 1.

Kenley - E01001068 / E01001075
 New Addington North – E01001053 / E01001054
 Sanderstead - E01001107 / E01001034 / E01001106
 Selsdon & Addington Village - E01001065 / E01001125 / E01001061 / E01001126
 Shirley South - E01001135 / E01001063 / E01001133
 Old Coulsdon - E01001015 / E01001016.

Addresses falling in the 16 LSOAs.

As it is not clear how the LSOA boundaries fall, the property addresses that are included in the 16 LSOAs, split between designations 1 and 2 are available on the Croydon website - consultation webpage.

A full borough scheme that covers 28 wards. Here the focus is on property condition.

Diagram 9 – Full map showing area of Option 2 – Designation 3.

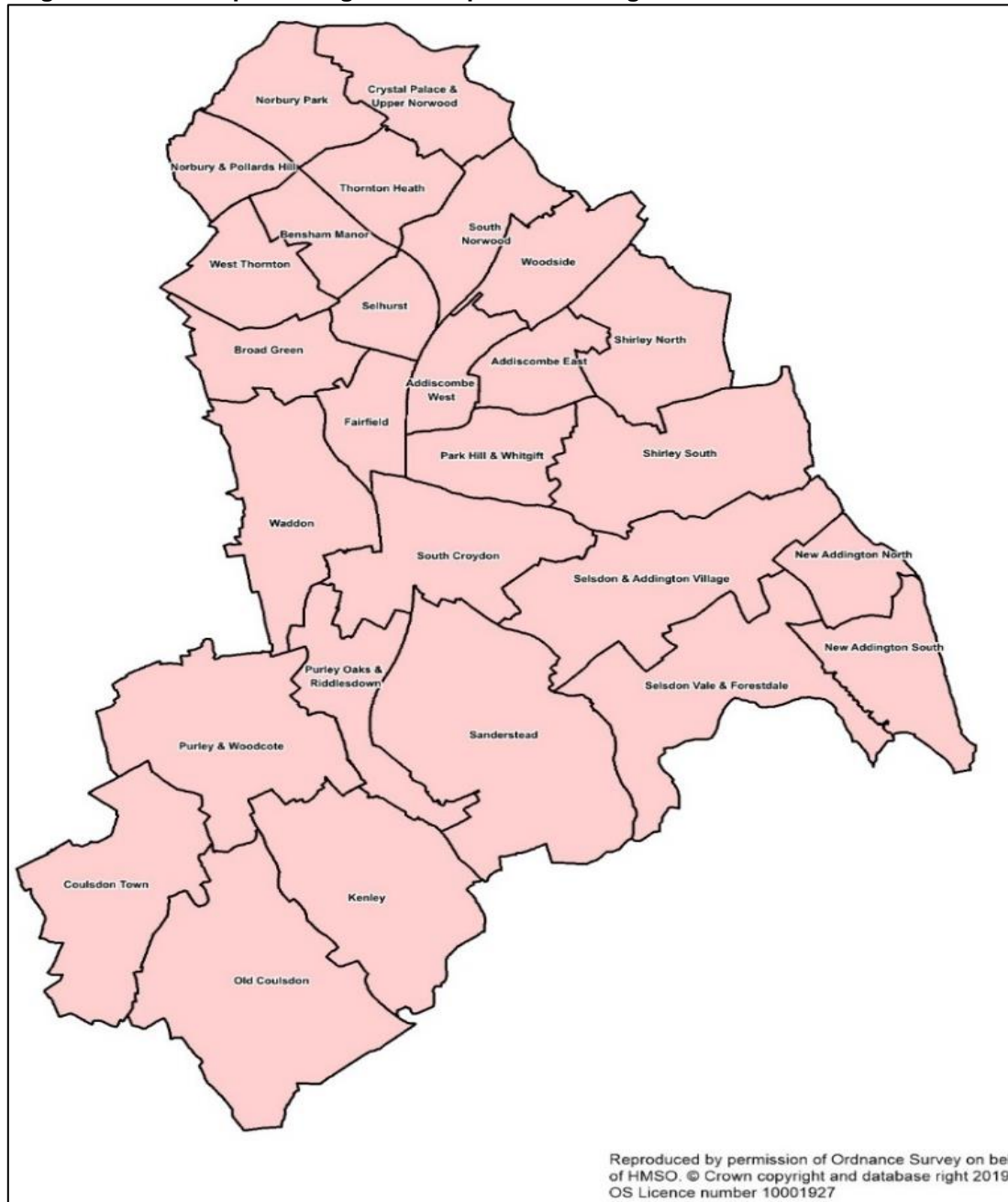


Table 3 – The 28 wards covered by the scheme in Option 2.

The 28 wards (full Borough) proposed for designation 3 in Option 2 are:

Addiscombe East, Addiscombe West, Bensham Manor, Broad Green, Coulsdon Town, Crystal Palace & Upper Norwood, Fairfield, Kenley, New Addington North, New Addington South, Norbury & Pollards Hill, Norbury Park, Old Coulsdon, Park Hill & Whitgift, Purley & Woodcote, Purley Oaks & Riddlesdown, Selhurst, Selsdon Vale & Forestdale, Sanderstead, Selsdon & Addington Village, Shirley South, Shirley North, South Croydon, South Norwood, Thornton Heath, Waddon, West Thornton and Woodside

A full borough designation that covers all 28 wards. This option is formed by bringing together two areas – 22 wards and the further 6 wards. The focus is on property condition in 22 wards and anti-social behaviour in 6 wards.

Diagram 10 - Full map showing area of Option 3 – Designations 4 and 5.

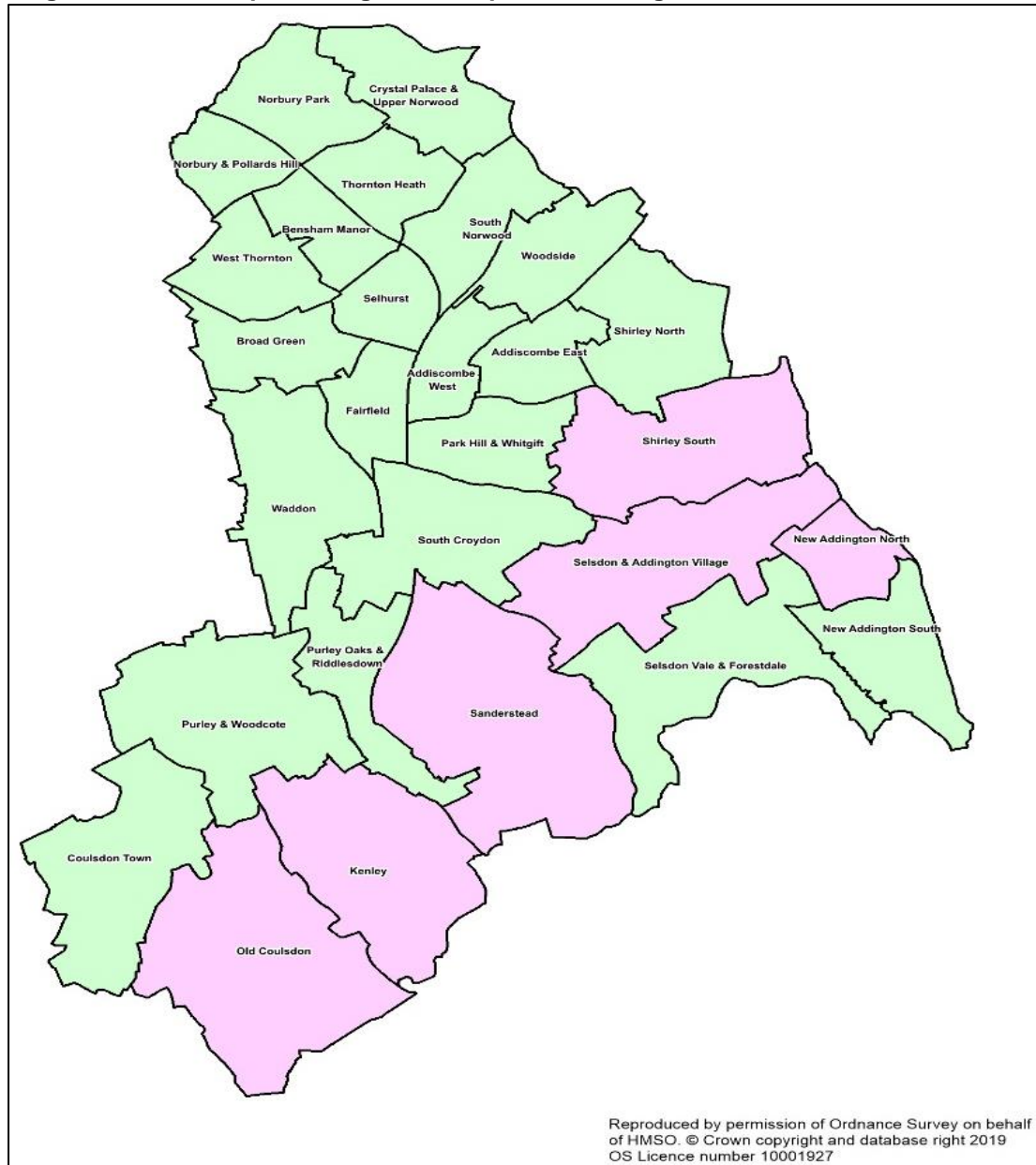


Table 4 – The 28 wards covered by the scheme in Option 3.

The 28 wards (full Borough) proposed for designations 4 and 5 in Option 3 are:

Addiscombe East, Addiscombe West, Bensham Manor, Broad Green, Coulsdon Town, Crystal Palace & Upper Norwood, Fairfield, Kenley, New Addington North, New Addington South, Norbury & Pollards Hill, Norbury Park, Old Coulsdon, Park Hill & Whitgift, Purley & Woodcote, Purley Oaks & Riddlesdown, Selhurst, Selsdon Vale & Forestdale, Sanderstead, Selsdon & Addington Village, Shirley South, Shirley North, South Croydon, South Norwood, Thornton Heath, Waddon, West Thornton and Woodside

Diagram 11 – The 22 wards covered by the scheme in Option 3 – designation 4.

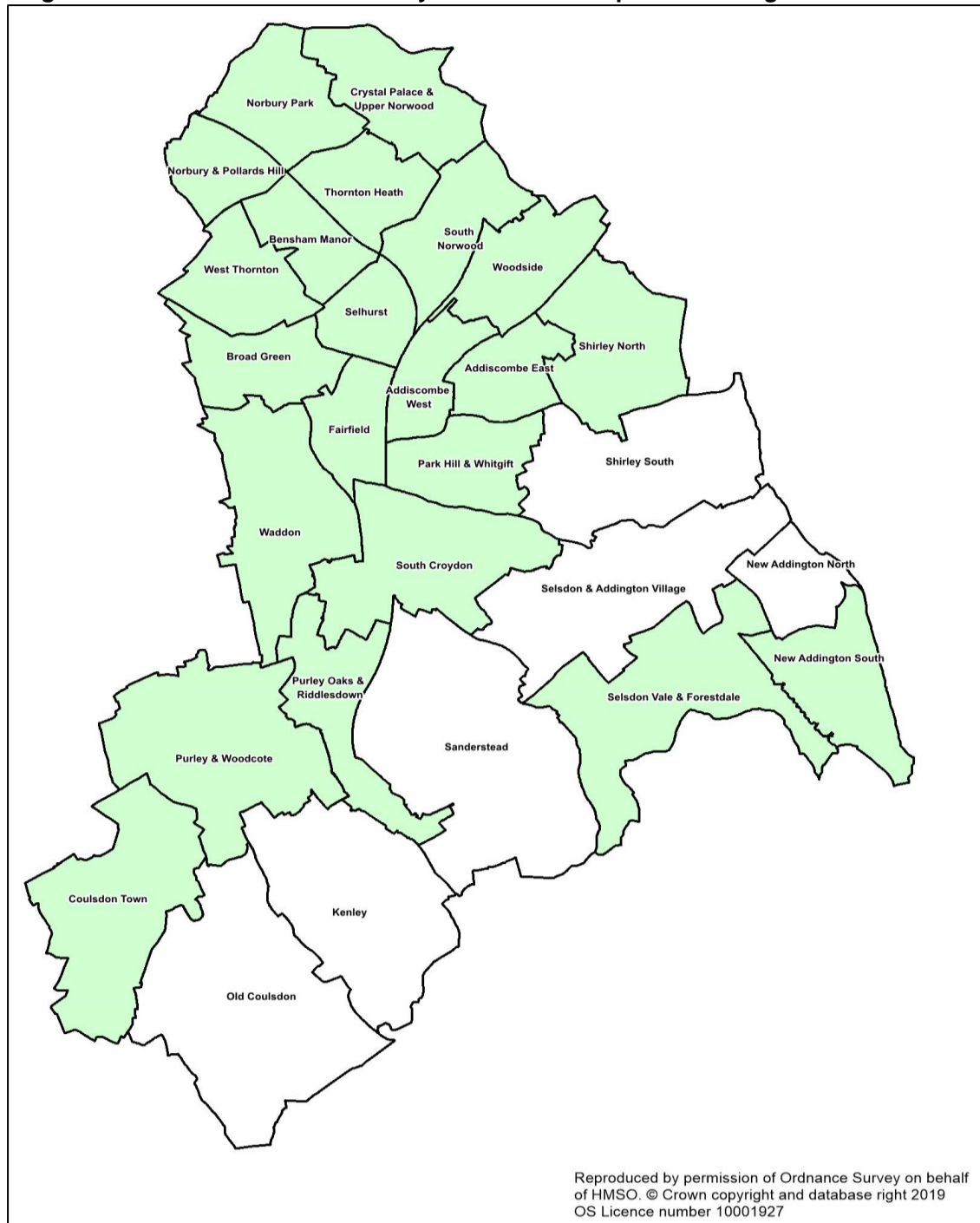


Table 5 – the 22 wards in designation 4

The 22 wards proposed for designation 4 fall within the following wards:

Addiscombe East, Addiscombe West, Bensham Manor, Broad Green, Coulsdon Town, Crystal Palace & Upper Norwood, Fairfield, New Addington South, Norbury & Pollards Hill, Norbury Park, Park Hill & Whitgift, Purley & Woodcote, Purley Oaks & Riddlesdown, Selhurst, Selsdon Vale & Forestdale, Shirley North, South Croydon, South Norwood, Thornton Heath, Waddon, West Thornton and Woodside

Diagram 12 – The 22 wards covered by the scheme in Option 3 – designation 5



Table 6 – The 6 wards in option 3 - designation 5

The 6 wards proposed for designation 5 fall within the following wards.
Kenley, New Addington North, Sanderstead, Selsdon & Addington Village, Shirley South and Old Coulsdon

Summary of the 5 Designations making the 3 Options

Table 7: Summary of designation and priority conditions

Designation Number (no of wards)	Primary condition. This is the condition enabling and that is to be addressed through new designation
OPTION 1 – Designations 1 and 2.	
Designation 1 – 10 wards and 11 LSOA	Property conditions. The PRS is over 19% of all dwellings and there are significant home hazards and ASB.
Designation 2 – 12 wards and 5 LSOA	Property conditions. The PRS is over 19% of all dwellings and there are significant home hazards, ASB and deprivation
OPTION 2 – Designation 3	
Designation 3 – 28 wards	Property conditions. The PRS ranges from 14.2% to 56.8% (35.6% average) of all households per ward and there are significant %Cat 1 hazards ranging from 13.4% to 33.9% (average 23.8%) per ward.
OPTION 3 – Designations 4 and 5	
Designation 4 – 22 wards	Property conditions. The PRS is over 19% of all dwellings and there are significant home hazards.
Designation 5 – 6 wards	Anti-social behaviour. The PRS is 17% of all dwellings and there are evidenced home hazards and deprivation.

The council will look to address property condition, issues relating to deprivation and anti-social behaviour.

Option 2 and 3.

Both of these options see a full Borough designation proposed. The council could apply to the Government for one or both of the schemes. Option 2 is based on property conditions in all 28 wards, while in option 3 the primary data for 22 wards is property conditions and for the remaining 6 the primary data is ASB.

Even though the scheme is supported by a primary data source the council proposes a new selective licensing designation as a way of addressing other PRS issues, such as property condition, anti-social behaviour and deprivation.

9. Evidence base for the proposed Selective Licensing Schemes

Headline data for the 3 Options.

Table 8. Summary of Croydon statistics borough wide

Key Criteria	Details	
Total population	385,346	(ONS, 2018)
Total dwellings	164,378	100% (of total)
Social rented	24,493	14.9%
PRS	58,585	35.6%
Owner occupied	81,300	49.5%
Property conditions	Total	% of PRS
Category 1 Hazards	13,922	23.8% (Metastreet 2019)
ASB (over five years)	Total	
ASB incidents PRS	15,746	268.8 incidents per 1000 households
ASB incidents social rented	10,797	440.8 incidents per 1000 households

* At least 10,000 properties are exempt from selective licensing, due to their use as temporary or emergency accommodation or for other reasons.

Option 1.

Table 9 – Key statistics for designations 1 and 2.

Residential Premises Croydon.-164,378	Designation 1 10 wards	Designation 1 11 LSOAs	Designation 2 11 wards	Designation 2 5 LSOAs
All dwellings - (148,895)	57,222	7,576	80,789	3,308
No. PRS - (56,827)	20,769	1,892	33,403	762
PRS as % of all dwellings	36%	24.97%	41%	23.04%
No. Category 1 hazards	4,506	476	8,054	182
Cat 1 hazards per 1000 PRS properties	216.9 / 1000	251.2 / 1000	241.1 / 1000	238.8 / 1000
No. ASB incidents	5003	494	8,860	265
ASB incidents per 1000 PRS properties.	241 / 1000	285.9 / 1000	265 / 1000	347.8 / 1000

Table 10 – Summary data of designations 1 and 2.

Ward and LSOA	No Dwellings	No PRS	No Cat 1's	% Cat 1's in PRS	% PRS	ASB incidents per 1000 PRS households	ASB incidents
D1 Total	64,798	22,661	4,982	21.98%	34.97%	245	5,544
D2 Total	84,097	34,165	8,236	24.11%	40.63%	267	9,125
Totals	148,895	56,827	13,218	23.26%	38.17%	257.8	14,621

Looking at the totals calculated for Option 1 we can see that it captures;

- 90.6% of all Croydon dwellings,
- 96.9% of the private rented sector dwellings found in Croydon,
- 94.9% of all Category 1 hazards, and
- 92.9% of all ASB incidents that have been investigated at PRS properties.

Option 2.

Table 11 – Key statistics for designation 3 covering 28 wards

Residential Premises Croydon.-164,378	28 wards
No. PRS	58,585
PRS as % of all dwellings	35.6%
No. Category 1 hazards	13,922
Cat 1 hazards per 1000 PRS properties	238
No. ASB incidents	15,746
ASB incidents per 1000 PRS properties.	268.8 / 1000

Option 3.

Table 12 – Key statistics for designation 4 (in 22 wards) and 5 (in 6 wards)

Residential Premises Croydon.-164,378	22 wards 138,180	6 wards 26,198
% PRS (%)	92.5%	7.5%
No. PRS	54,172	4,381
PRS as % of all dwellings	37.7%	16.7%
No. Category 1 hazards	12,560	1,336
% Cat 1 hazards (of total)	90.4%	9.6%
Cat 1 hazards per 1000 PRS properties	231.9	305
No. ASB incidents	13,863	1,849
% ASB incidents (of total)	88%	12.8%
ASB incidents per 1000 PRS properties.	256 / 1000	422 / 1000

Poor property conditions

The majority of landlords who rent out properties in the private sector manage their properties responsibly, but there are landlords who are negligent and unprofessional, and those who commit criminal offences and exploit vulnerable residents. The condition of properties in the private rented sector is comparatively poor. Nationally, over a quarter of privately rented homes fall below the Decent Homes standard and 14% of privately rented dwellings are estimated to have at least one Category 1 hazard (EHCS).

Category 1 hazards are serious housing hazards, including significant damp and mould, electrical hazards and the absence of effective heating. These types of hazard require urgent remedy to protect tenants' health and safety.

In Croydon, privately rented homes had higher levels of disrepair. Most tenants do not think to inform the council of a property repair issue, so incidents of disrepair are inevitably under-reported across the borough. Proactive inspections are achievable through licensing, identifying poor conditions that tenants haven't reported.

The use of actual results from council databases showing property condition records, enforcement records and other property-related data indicating poor property conditions has enabled the council to develop a model to forecast the number and distribution of properties likely to have at least one serious home hazard. Using this approach, we have calculated that 23.8% of privately rented properties in the borough have serious hazards. This is more likely to be closer to the actual level of hazards in the PRS in the borough and is clearly significant. It also indicated that the problem is worse than the national average. Table 13 below shows the predicted distribution of Category 1 hazards in each ward.

Diagram 13. Summary of Croydon statistics borough wide

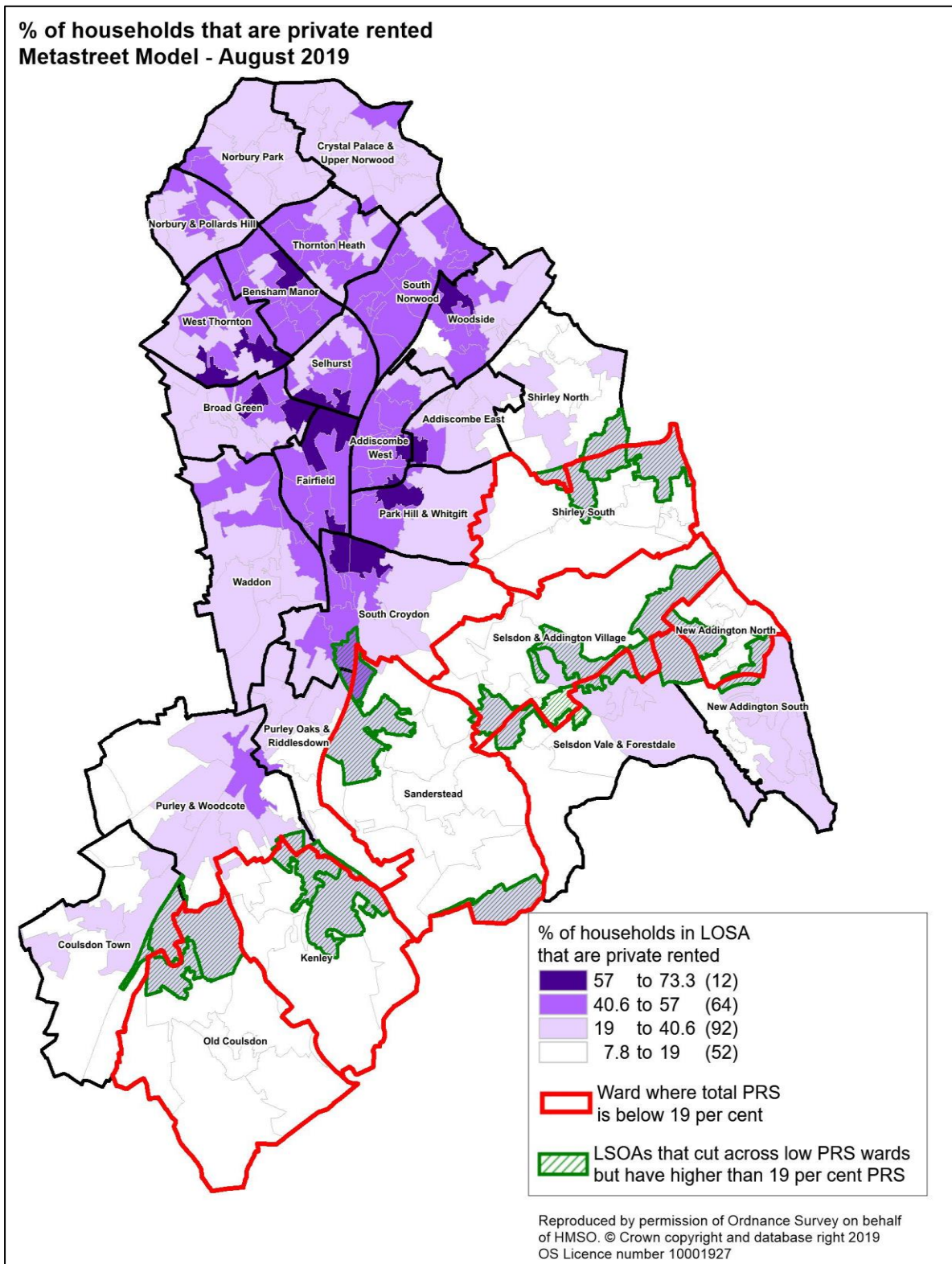
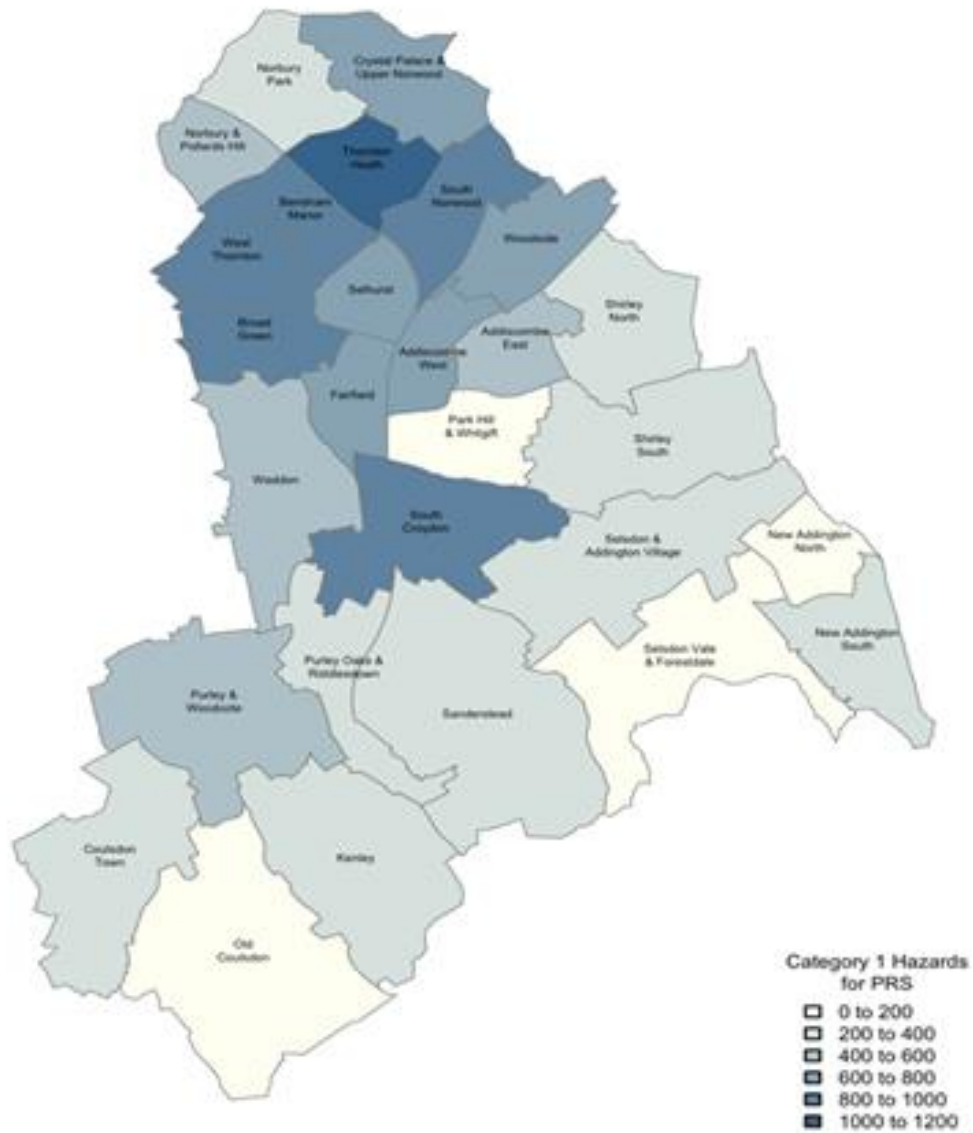


Diagram 14: Category 1 hazards illustrated on a ward basis



Fairfield ward has the highest number of private rented dwellings and tall residential buildings in Croydon and a large number of serious home hazards. There has been a high net population increase (migration) in one LSOA in Fairfield ward.

Ward	No Dwellings	No PRS	No Licensed	No Cat 1's	% Cat 1's in PRS	% PRS	% PRS Licensed	ASB incidents per 1000 PRS households
Addiscombe East	5,126	1,790	857	416	23.20%	34.9%	47.9%	247.5
Addiscombe West	7,138	3,488	2,630	697	20.00%	48.9%	75.4%	224.2
Bensham Manor	6,595	3,125	1,645	884	28.30%	47.4%	52.6%	289.3
Broad Green	7,879	3,638	2,123	816	22.40%	46.2%	58.4%	250.7
Coulsdon Town	5,712	1,281	461	314	24.50%	22.4%	36.0%	371.6
Crystal Palace & Upper Norwood	7,921	2,860	1,482	604	21.10%	36.1%	51.8%	255.9
Fairfield	8,444	4,792	4,688	642	13.40%	56.8%	97.8%	140.7
Kenley	4,128	754	389	234	31.00%	18.3%	51.6%	412.5
New Addington North	3,882	656	206	157	23.90%	16.9%	31.4%	407.0
New Addington South	4,481	969	262	241	24.90%	21.6%	27.0%	358.1
Norbury & Pollards Hill	4,988	2,002	1,210	499	24.90%	40.1%	60.4%	255.2
Norbury Park	3,774	1,092	370	350	32.10%	28.9%	33.9%	353.5
Old Coulsdon	4,001	570	229	193	33.90%	14.2%	40.2%	480.7
Park Hill & Whitgift	2,616	1,202	836	184	15.30%	45.9%	69.6%	162.2
Purley & Woodcote	6,934	2,011	1,112	514	25.60%	29.0%	55.3%	310.3
Purley Oaks & Riddlesdown	4,305	1,291	723	285	22.10%	30.0%	56.0%	243.2
Sanderstead	6,078	1,032	356	295	28.60%	17.0%	34.5%	385.7
Selhurst	5,468	2,525	1,193	688	27.20%	46.2%	47.2%	290.3
Selsdon & Addington Village	4,011	731	386	248	33.90%	18.2%	52.8%	466.5
Selsdon Vale & Forestdale	4,273	1,126	523	181	16.10%	26.4%	46.4%	213.1
Shirley North	6,186	1,242	438	273	22.00%	20.1%	35.3%	371.2
Shirley South	4,098	638	228	209	32.80%	15.6%	35.7%	404.4
South Croydon	8,209	3,718	2,536	812	21.80%	45.3%	68.2%	184.5
South Norwood	7,942	3,640	2,172	898	24.70%	45.8%	59.7%	242.9
Thornton Heath	7,643	3,278	1,552	1012	30.90%	42.9%	47.3%	358.8
Waddon	7,840	2,850	1,462	599	21.00%	36.4%	51.3%	224.2
West Thornton	7,010	3,175	1,897	889	28.00%	45.3%	59.7%	249.8
Woodside	7,527	3,077	1,542	762	24.80%	40.9%	50.1%	308.7

Table 13. The Evidence base on a ward by ward basis across the 28 Croydon wards

Table 14 – The evidence base for the 16 LSOAs listed in designation 1 and 2.

LSOA. Option 1 Designation 1 and 2	No Dwellings	No PRS	% PRS	No Cat 1's	% Cat 1's in PRS	ASB incidents per 1000 PRS households	Index of MD 2019 score	Index of Multiple Deprivation 2019 percentile
E01001075	736	223	30.3%	58	26.0	318.4	22665	7
E01001107	708	162	22.9%	37	22.8	284	28273	9
E01001034	784	313	39.9%	66	21.1	166.1	19092	6
E01001125	672	179	26.6%	65	36.3	402	22109	7
E01001135	693	145	20.9%	46	31.7	393.1	26298	9
E01001063	615	138	22.4%	36	26.1	340.6	17644	9
E01001065	681	223	32.7%	36	16.1	152.5	18054	6
E01001015	584	111	19.0%	22	19.8	261.3	11187	4
E01001068	819	153	18.7%	39	25.5	281.0	16728	6
E01001016	690	131	19.0%	38	29.0	404.6	19580	6
E01001106	594	114	19.2%	33	28.9	324.6	21553	7
E01001054	627	131	20.9%	36	27.5	503.8	5919	2
E01001053	569	116	20.4%	24	20.7	319	6916	3
E01001061	702	248	35.3%	58	23.4	286.3	11605	4
E01001126	623	118	18.9%	34	28.8	466.1	28547	9
E01001133	787	149	18.9%	30	20.1	241.6	22956	7

Option 1 relies on a mix of data at both ward and LSOA level.

In Option 1 the council puts forward an area that includes wards and LSOAs. The LSOAs allow the council to focus resources in particular localised areas outside of the 22 wards. The council has the data at the LSOA level in the 22 wards and is of the opinion it is justified at taking a ward based approach for the core 22 wards. In the 22 wards there are 177 LSOAs and a further 43 LSOAs in the remaining 6 wards. A large selective licensing area based totally around LSOA areas would be too difficult to administer because of the lack of clarity of the LSOA boundary lies at street level.

Level of PRS in the 22 wards (Option 3 designation 4) at LSOA level.

Results show that 24 of the 177 LSOAs (13.5%) have a %PRS less than 19% which ranges from 7.8% to 18.9% of all households. In these 24 LSOAs the %Cat1 hazards range from 15.9% to 45.2%. A conclusion is that the lower density of PRS does not result in a reduced frequency of %Cat1 hazards. In these 24 LSOAs the ASB incidents range from 241.6 to 1,041.6 per 1000 households.

Frequency of Category 1 hazards in 22 wards at LSOA level (Options 2 and 3)

Results have shown that 8 of the 177 LSOAs (4.5%) have a %Cat 1 hazard frequency of less than 14%, the national average for Cat 1 hazards in the PRS. These are all in LSOAs where the % PRS exceeds 19%.

Designation criteria and evidence – area experiencing a significant and persistent problem caused by anti-social behaviour (ASB)

Parts of the borough continue to experience significant and persistent anti-social behaviour, and this tends to be more prevalent in the private rented sector. Figure 5 and Diagram 15 show the reported ASB incidents associated with private rented properties in each ward and the ASB rate in the private rented sector. Diagram 16 provides a Borough profile of ASB incidents. The data relates to a period of 4 consecutive years from April 2015 – March 2019. The data relates to specific cases investigated and can be clearly attributed to arising from a private rented property.

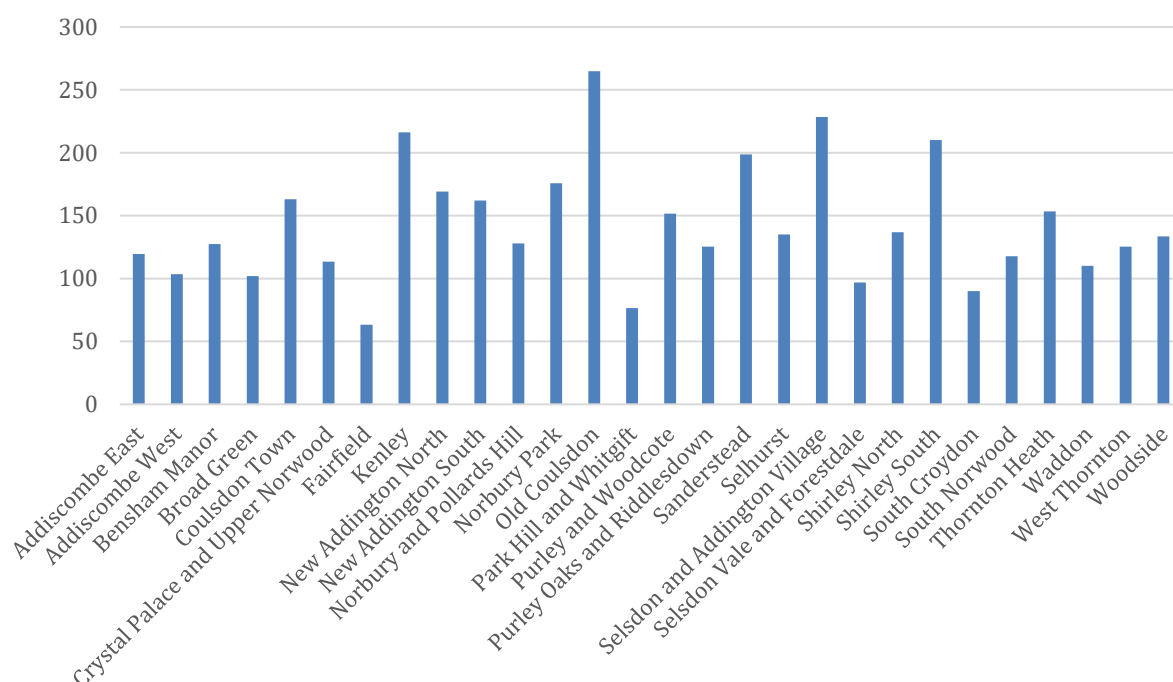


Figure 5: ASB incidents linked to PRS per 1000 properties by ward (Metastreet 2019).

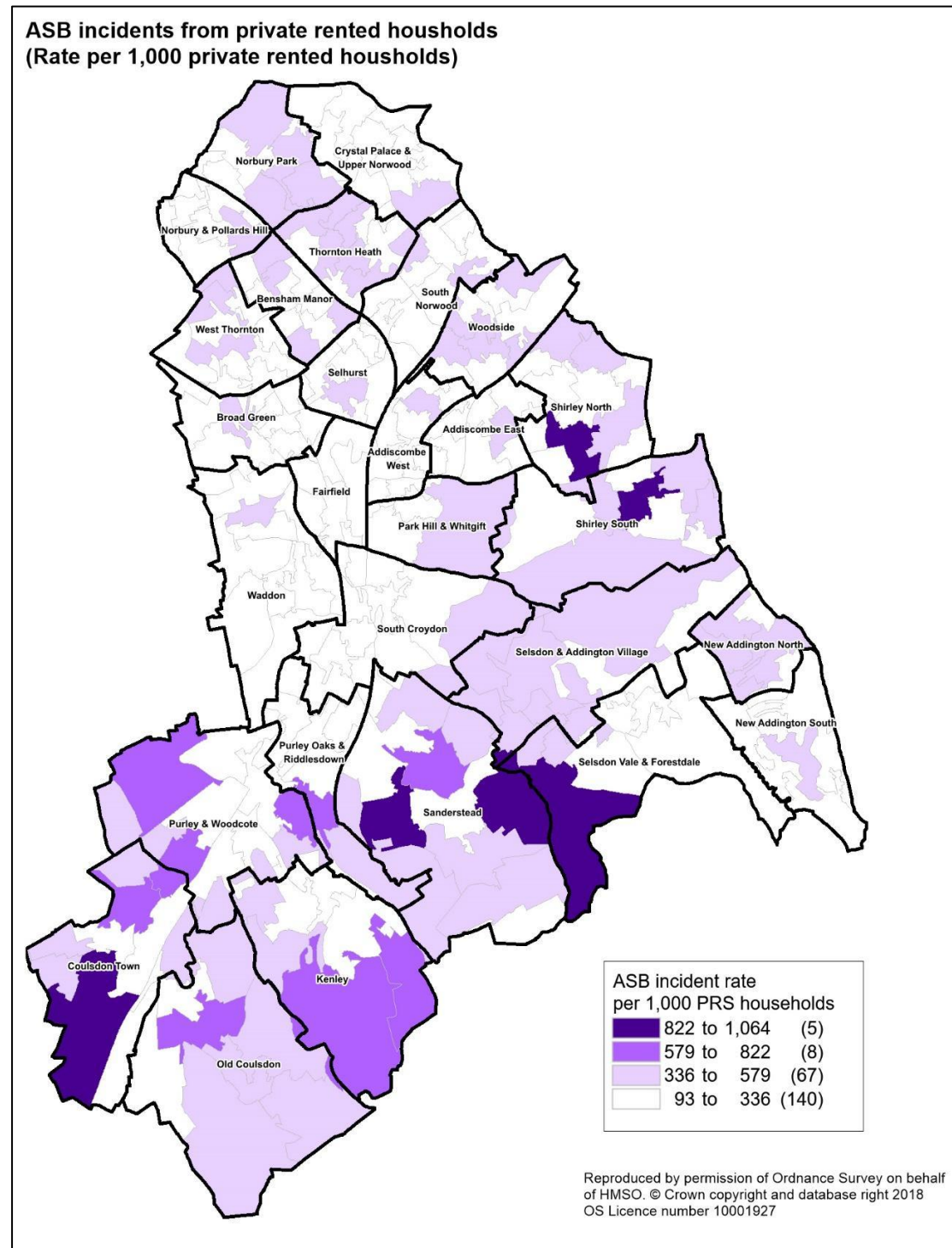
To designate an area as subject to selective licensing on grounds of anti-social behaviour, the council also has to be satisfied that some or all of the private sector landlords who have let premises in the area, whether under leases or licences, are failing to take action to combat the problem that it would be appropriate for them to take; and that making a designation will, when combined with other measures taken by the council, or by other persons together with the council, lead to a reduction in, or the elimination of anti-social behaviour. Its enforcement action is on-going and, as indicated above, while the majority of landlords are responsible, there is still a need for the council to take action against the minority of irresponsible and ineffective landlords, for the benefit of the community.

The data used by the council reflected incidents investigated and attributed to a private rented address. Not all data sources were used such as those incidents that were not investigated or not linked to a private rented address. The data included in the Metastreet modelling found:

- There are significant levels of ASB linked to private rented properties across the borough.

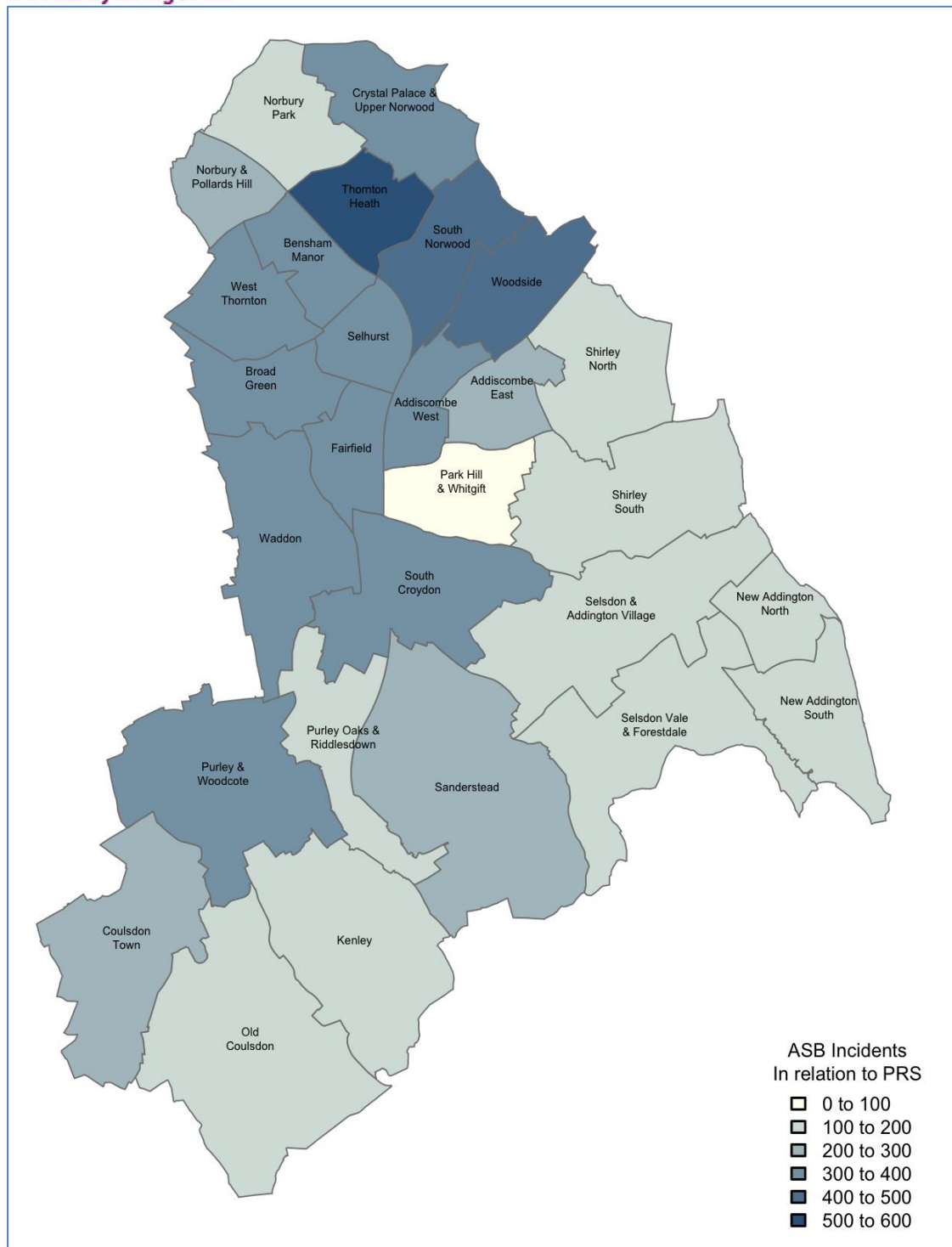
- Over the last 4 years, 7,285 ASB incidents in the PRS have been investigated.
- Croydon made 12,172 interventions in PRS properties over a 4-year period, this was made up of proactive inspections and inspection after receiving a complaint.

Diagram 15: Summary of Croydon statistics borough wide for Anti-Social Behaviour Incidents



The actual number of ASB incidents from private rented households (ASB incidents per 1000 households), is provided in Table 9.

Diagram 16: Summary of Croydon statistics borough wide for actual number of Anti-Social Behaviour Incidents on a ward by ward basis.



Designation criteria and evidence – area experiencing high deprivation

According to the latest Indices of Multiple Deprivation (IMD, September 2019), Croydon is the most deprived of the six Southern Region boroughs in the current GLA London Plan – Wandsworth, Merton, Sutton, Kingston Upon Thames, Bromley. Please see table and map below.

According to the Indices of Multiple Deprivation 2019:

- 18.1% (69,576) of Croydon’s population are among the 20% most deprived nationally.
- 39 the 220 LSOAs in Croydon fall in IMD Decile 1 and 2 (worst 20% nationally).
- Deprivation is relatively high in New Addington North and South.
- Within deprivation sub-categories, crime and housing deprivation are relatively high across Croydon.

Diagram 17: Summary of Croydon statistics borough wide for IMD

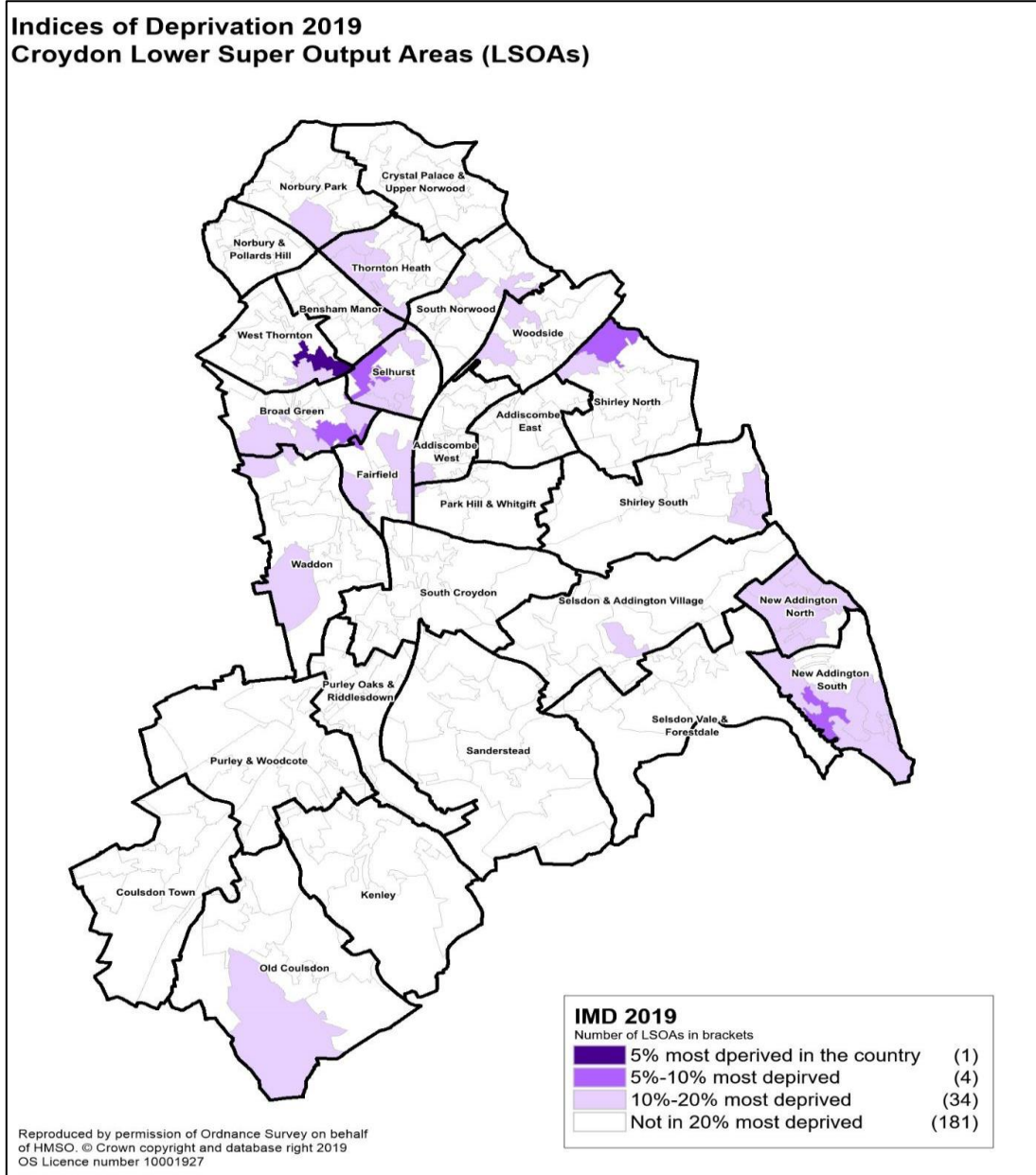


Table 15: Croydon IMD data (seven criteria), national ranking and compared to the other southern Boroughs.

South London Borough	Overall Deprivation	Income	Employment	Education, Skills and Training	Health Deprivation and Disability	Crime	Barriers to Housing Services	Living Environment

Croydon	102	89	128	203	165	74	15	69
Wandsworth	173	162	238	308	193	101	39	26
Merton	214	184	241	288	234	139	128	38
Sutton	227	199	223	259	225	172	110	105
Bromley	230	219	231	281	275	132	32	140
Kingston Upon Thames	270	236	281	306	289	207	60	72

Croydon ranks as the 102nd most deprived borough in England out of 317. Croydon has a mixture of high and low deprivation wards. 14 wards have aggregated IMD rankings below the national average.

Diagram 18: Croydon and the other five southern Boroughs

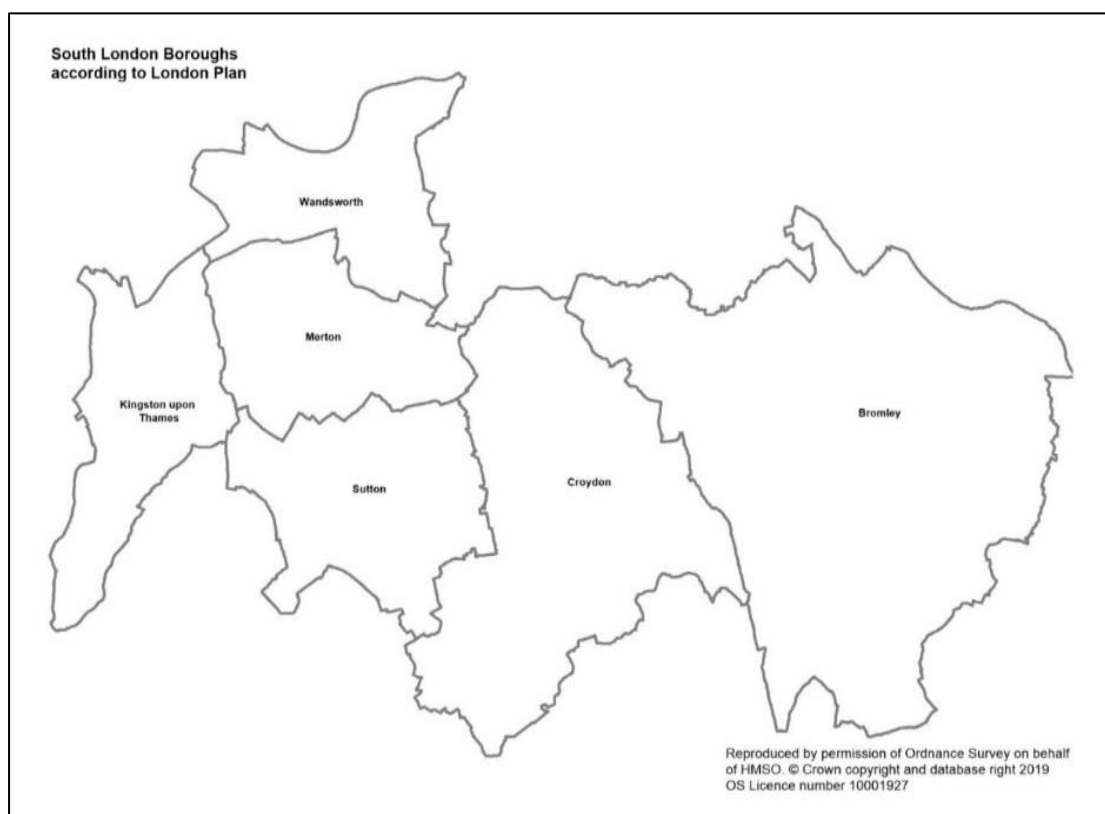


Table 16: Croydon IMD data on a ward basis (best fit model used). Blue labelled wards and the green wards (with one of the 5 LSOA in) are in designation 1

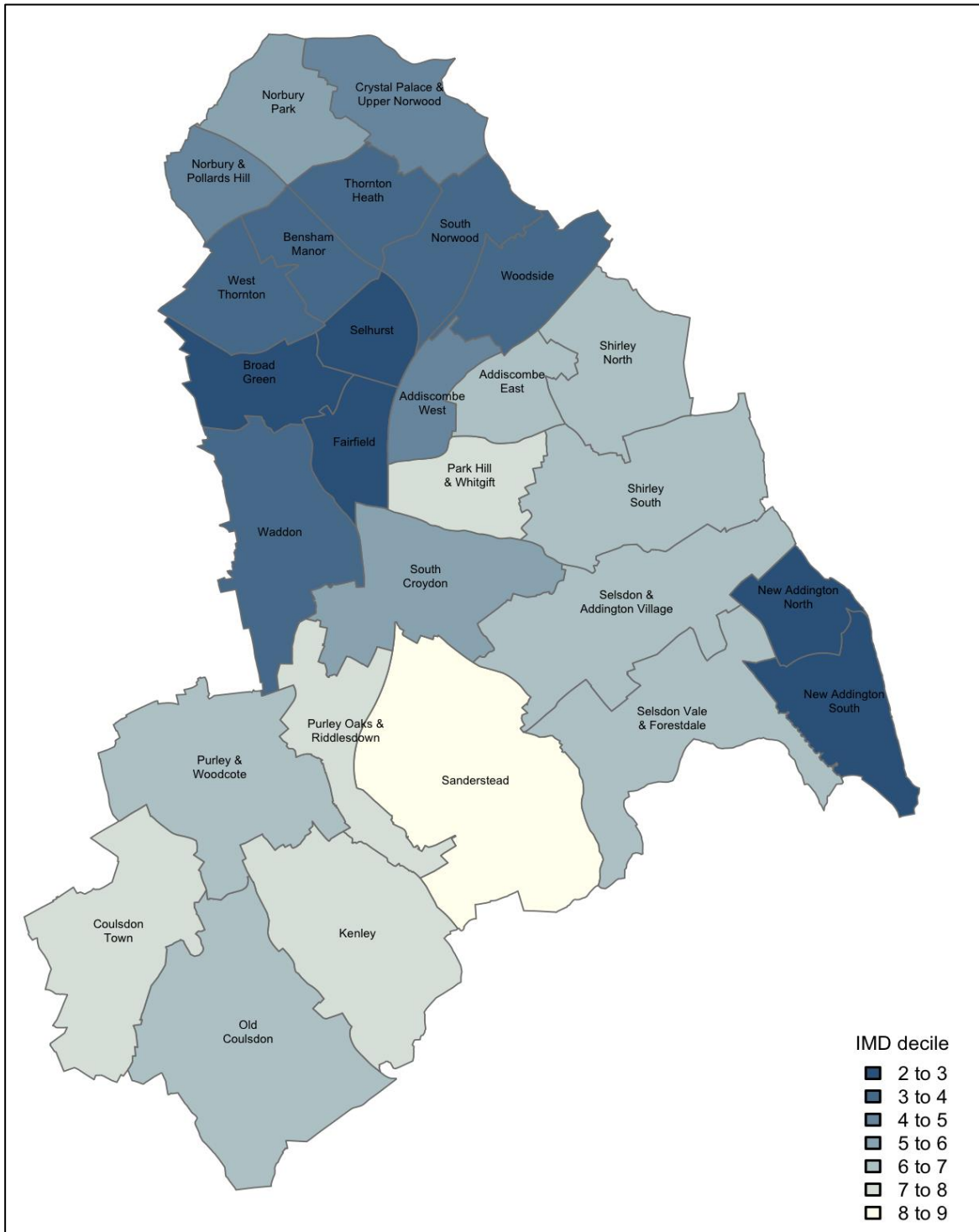
Wards and LSOA in Option 1	Average of IMD Decile
Addiscombe East	6.143
Addiscombe West	4.778
Bensham Manor	3.818

Broad Green	3
Coulsdon Town	7.714
Crystal Palace & Upper Norwood	4.667
Fairfield	2.6
Kenley	7.429
New Addington North*	2.143
New Addington South	2.429
Norbury & Pollards Hill	4.857
Norbury Park	5.6
Old Coulsdon	6.857
Park Hill & Whitgift	7.667
Purley & Woodcote	6.7
Purley Oaks & Riddlesdown	7.667
Sanderstead	8.778
Selhurst	2.167
Selsdon & Addington Village*	6.429
Selsdon Vale & Forestdale	7
Shirley North	6.222
Shirley South*	6.667
South Croydon	5.6
South Norwood	3.2
Thornton Heath	3.5
Waddon	3.5
West Thornton	3.545
Woodside	3.6

This table provides the best fit IMD 2019 data for each ward in Croydon. The Index of Multiple Deprivation measures relative deprivation in an area. Whilst it provides a ward average it should be noted that different parts of a ward can have significantly different IMD scores. As one can imagine, within every area there will be individuals who are deprived and individuals who are not.

With IMD there are seven domains and the final score reflects information combined to produce an overall relative measure of deprivation, the Index of Multiple Deprivation. The figures above represent which decile the ward appears in comparison with the rest of England. 3.545 means the ward of West Thornton appears in the worst 40% of the most deprived wards in England.

Diagram 19: Croydon Index of Multiple Deprivation on a ward by ward basis (IMD 2019) using the best fit model.



10. Proposed scheme objectives

As a council we propose to use selective licensing to keep our residents safe, to improve property standards, to continue to tackle anti-social behaviour and to provide targeted support with a range of issues, such as issues related to deprivation, where needed. The underlying aim to continue the work to make Croydon a better place to rent. We are committed to improving property conditions and management standards in the private rented sector, so that it provides good quality accommodation, helps us to achieve sustainable communities and continues to contribute positively to the local economy. For many landlords we see licensing as a partnership. Councils can look to positively support business and remove the barriers and uncertainty that exist.

The council believes that selective licensing provides the framework to enable us to achieve these objectives. Some of the key benefits of selective licensing are that:

- It provides clarity for the majority of landlords who want to cooperate, enabling them to operate legally and effectively in the borough.
- It allows the council to use data and intelligence to enforce standards at the earliest opportunity, against the worst landlords.
- Licensing uptake can be monitored against the predicted number of licensable addresses.
- Proposed licence conditions require landlords to manage their properties proactively and to take reasonable action to address any identified problems.
- A significant number of properties undergo a council inspection to ensure that they are maintained to an appropriate standard.
- Large-scale property licensing also gives us the capability to undertake significant, proactive audit inspections.
- The licensing team would have targets to inspect, intervene and improve sub-standard dwellings. Officers would carry out targeted audit and compliance checks at 25% of the properties with selective licences.
- Property improvements are delivered through the enforcement of licensing conditions to support the schemes' objectives, backed up by a range of informal and formal enforcement actions, such as action under Part 1 of the Housing Act 2004.
- A continued expansion to the use of the various enforcement tools that exist for improving standards and ensuring the exit of rogue landlords from the sector. Banning orders, Management Orders, Rent Repayment Orders, One year supervisory licences, wider investigation to capture landlord offences to ensure proper fit and proper assessment are all powers that need better integrating and this will be a priority for the new scheme.

11. Licensing and wider borough strategies

The council's draft housing strategy priorities come under three headings: to create *New Homes* for sale and for rent for local people, ensure existing homes are *Quality Homes*, and provide opportunities for *Homes for Everybody*.

The proposal for a renewal of selective licensing in Croydon forms a key part of the *Quality Homes* aspect of the Housing Strategy, as outlined below:

1. Improve private rented homes

Some 58,500 homes are rented privately (36% of all dwellings in Croydon). The number is rising as this is an important option for people who cannot afford to buy.

- Advise and train landlords and enforce standards where necessary
- Following consultation, seek approval from the Secretary of State to renew the selective licensing scheme in 2020 to improve housing conditions in the private rented sector
- Require owners to seek planning permission from 2020 before converting properties into small houses in multiple occupation
- Support proposals for private rented sector reform including the Mayor of London's blueprint for reforming tenure and rents

2. Help with repairs to private homes for those who need it most

- Continue to provide loans and grants for essential repairs and energy efficiency improvements.

In the absence of a comprehensive regulatory regime for the private rented sector, selective licensing is a vital tool through which the council can engage with landlords and improve housing standards through monitoring and enforcement of licensing conditions.

12. Alternative options considered

Both the Housing Act 2004 and Selective Licensing Guidance for Local Authorities 2015 require the council to consider whether any alternative means would be effective, instead of licensing, to address the problems the council has identified.

The local housing authority must show:

- *it has considered whether there are any other courses of action available to them that might provide an effective method of achieving the objectives that the designation is intended to achieve, and;*
- *how the making of the designation will significantly assist the local housing authority in achieving its' objectives (whether or not in conjunction with those other measures).*

We have considered a number of other courses of action or alternatives to selective licensing, but do not believe that, individually or collectively, they provide an effective, or as effective, means of tackling anti-social behaviour and poor housing conditions in the borough, or of delivering the scale of improvement that we believe is required in the private rented sector. This table shows the alternatives that we have considered and explains why they are not sufficient to meet our objectives.

No.	Alternative Measure	Strengths	Weaknesses
1	Use of Part 1 Housing Act 2004 enforcement powers [HHSRS] and Public Health powers	Informal notices and subsequently if not complied, formal notices can be served that require property or public health improvements to be carried out. Councils can carry out work in default if a notice is not complied with. Landlords also risk being prosecuted if they do not comply with the notice.	Formal action is generally a slow process with appeal provisions against most types of notices served, which can significantly delay the time period for compliance. These powers do not place any obligation on landlords to be <i>proactive</i> in improving conditions. Work in default can be effective but is expensive and time consuming for the council, with the risk that not all costs are recovered. Successful prosecutions do not themselves secure improvements in property conditions and the council's prosecution costs are often not met in full. Further, the council's powers under Part 1 do not enable it to regulate the management of the property.
2	Voluntary Accreditation schemes facilitate	For those landlords who take part, accreditation can	This requires voluntary landlord engagement and rogue operators are unlikely

	improvement in management practices and standards	improve the ability to effectively manage a property	to attend/engage. In Waltham Forest, there had been poor take up of the voluntary accreditation scheme prior to the implementation of its current licensing scheme. As of January 2018, less than 10% of landlords had registered on the London Landlord Accreditation Scheme (as reported by London Property Licensing News)
3	Rely on prosecutions and civil penalties for housing offences	Provides a disincentive to keep properties in poor condition	These powers do not place any obligation on landlords to be proactive in improving property conditions. Successful prosecutions, or the imposition of civil penalties, do not themselves secure improvements in property conditions. The absence of large-scale licensing significantly reduces the scope of the council's ability to impose civil penalties in respect of identified housing breaches
4	Improvement grants to improve sub-standard properties	Grants subsidise improvement works, improving standards and deriving benefits for landlords and tenants	Generally, there are few grants available and the council has very limited scope to offer grants through successful external funding bids. In the main, grant awards would fund improvements that the landlord should in any event be carrying out to meet their legal obligations. Any grant scheme would be discretionary and would rely on voluntary landlord engagement
5	ASB powers	Formal notices can be served that address ASB identified at individual properties which, if complied with, would remedy ASB at that location	Action would generally be taken against the tenant in occupation. These powers do not place any obligation on landlords to be proactive in managing their properties to prevent or reduce the likelihood of ASB occurring

6	Do nothing	This sees the resources available to support the drive to make Croydon a Better Place to Rent significantly reduced.	The Council has mandatory duties placed on it under various pieces of legislation such as the Housing Act 2004, Environmental Protection act 1990 and the Smoke and Carbon Monoxide Alarm Regulations 2015. The council cannot ignore this and its responsibilities as a regulator protecting the health and safety of the public.
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Each of the above powers or measures referred to in Nos. 1– 5, supports the council in achieving the objectives of selective licensing, but it is our opinion that, none of them, either individually or collectively, is capable of achieving the objectives or outcomes that we intend to deliver through the proposed licensing schemes.

13. Other documents for consultation relevant to a new licensing scheme

1. Proposed licence conditions
2. Proposed fee structure for CPRPL 2020
3. Frequently asked questions

13.1 Proposed licence conditions Croydon Private Rented Property Licence 2020 [CPRPL 2020]

The following standard licence conditions will be applied to all licences that are issued.

A CPRPL 2020 can be issued for a single dwelling or multi-let property (>1 dwelling).

1. TENANCY MANAGEMENT

- 1.0 The Licence Holder shall supply the occupiers of the property with a written statement of the terms on which they occupy the property [MANDATORY CONDITION] including:
 - 1.0.1 Details of the arrangements in place to deal with repair issues including contact details.
 - 1.0.2 Details of the arrangements in place to deal with emergency issues including contact details.
 - 1.0.3 Details of the arrangements in place to deal with pest control/proofing issues including contact details.
 - 1.0.4 Details including the name, address and emergency contact number of the Licence Holder or managing agent responsible for the common parts of the property.
 - 1.0.5 Copies of the written statement of terms and details (1.01 – 1.0.4) must be provided to the council for inspection within 14 days upon request.
- 1.1 The Licence Holder must supply a current copy of the Energy Performance Certificate (EPC) to all tenants/occupiers at the start of their tenancy. [MANDATORY CONDITION]
- 1.2 The Licence Holder must supply a copy of the current Selective Licence to all tenants/occupiers at the start of their tenancy.
- 1.3 The Licence Holder shall supply a copy of the current gas safety certificate or installation certificate (new boilers) to all tenants/occupiers at the start of their tenancy.
- 1.4 The Licence Holder shall obtain references from persons who wish to occupy a letting in the property before entering into any tenancy, licence or other agreement with them to occupy the accommodation [MANDATORY CONDITION].
 - 1.4.1 No new person who wishes to occupy shall be allowed to occupy the accommodation if they are unable to provide a reference.
 - 1.4.2 The Licence Holder must retain all references obtained from occupiers for the duration of this licence and provide copies to the council within 14 days on request.
- 1.5 The Licence Holder shall protect any deposit taken under an assured short-hold tenancy by placing it in a statutory tenancy deposit scheme within 30 days of receipt.

- 1.5.1 A tenant must be given the prescribed information about the deposit protection scheme within 30 days of receipt of the deposit.
- 1.5.2 This protection receipt and prescribed information given to the tenant must be retained for the duration of the licence and provided to the council within 14 days on request.
- 1.6 The Licence Holder shall ensure that inspections of the property and outside space are carried out at least every six (6) months to identify any problems relating to the condition, occupancy and management of the property.
 - 1.6.1 The records of such inspections shall be written and kept for the duration of this licence.
 - 1.6.2 The record must contain a log of who carried out the inspection, date and time of inspection including any issues and follow up action(s) taken.
 - 1.6.3 The record(s) must be provided to the council within 14 days on request.
- 1.7 The Licence Holder must make sure the property is not overcrowded.
 - 1.7.1 No tenancy shall be taken up where it is deemed to place the property into a condition of overcrowding.
 - 1.7.2 No new resident must be permitted to occupy the house or any part of the house if that occupation results in overcrowding.
 - 1.7.3 The Licence Holder will ensure by 6 monthly inspections that the property is assessed for overcrowding and take appropriate action to reduce such an occurrence.

2. ANTI-SOCIAL BEHAVIOUR

- 2.0 The Licence Holder must provide to the council details in writing of the tenancy management arrangements that have been, or are to be, made to prevent or reduce anti-social behaviour (ASB) by persons occupying or visiting the property. The following arrangements shall be implemented to fulfil the requirements of this condition:
 - 2.0.1 Provision of an emergency 24 hour contact number (including out of hours response arrangements).
 - 2.0.2 Written records from 6 monthly property inspections (including actions) for condition, occupancy and management of the property.
 - 2.0.3 Copies of the tenancy management arrangements are to be supplied to the council within 14 days on request.
- 2.1 The Licence Holder shall effectively address problems of ASB resulting from the conduct on the part of occupiers of, or visitors to the premises by complying with the requirements of paragraphs 2.1.1 to 2.1.9 below:
 - 2.1.1 The Licence Holder must not ignore or fail to take action, if he/ she has received complaints of anti-social behaviour (ASB) that concern the visitors to or occupiers of the premises.
 - 2.1.2 The Licence Holder shall from the date of receipt of the complaint of ASB, monitor and investigate any allegations of ASB.

- 2.1.3 If a complaint is received, or ASB is discovered, the Licence Holder must contact the tenant within 7 days. The tenant must, in writing, be warned of the allegations of the ASB and of the consequences of its continuation.
- 2.1.4 Where the ASB is continuing after 14 days from warning letter 1 (condition 2.1.3), the Licence Holder, or his agent must, within 14 days, visit the premises and provide the tenant with a further warning letter advising them of the possibility of eviction if their behaviour continues.
- 2.1.5 If after 14 days of giving warning letter 2 (as in condition 2.1.4), the tenant has taken no steps to address the ASB and the ASB is continuing the Licence Holder shall take formal steps under the written statement of terms for occupation, e.g. the tenancy agreement or licence and which shall include promptly taking any legal eviction proceedings to address the ASB.
- 2.1.6 Where the Licence Holder or his agent has reason to believe that the ASB involves criminal activity the Licence Holder shall ensure that the appropriate authorities are informed. The Licence Holder may inform the police and the council. If invited to a case conference or multi-agency meeting the Licence Holder shall attend.
- 2.1.7 Any correspondence, letters and records referred to in conditions 2.1 (2.1.1 – 2.1.6) above must be provided to the council within 14 days on request.
- 2.1.8 Any letters, meeting notes, notes following telephone conversations; relating to conditions 2.1 (2.1.1 – 2.1.6), sent or received by the Licence Holder, or agent of the Licence Holder, must be kept for the duration of the licence.

3. PROPERTY MANAGEMENT

- 3.0 The Licence Holder shall ensure that all gas installations and appliances are in a safe condition at all times [MANDATORY CONDITION].
 - 3.0.1 A copy of the current gas safe certificate must be provided to all tenants/ occupiers at the start of their tenancy.
 - 3.0.2 There must be a valid gas safety certificate or installation certificate (new boilers) at all times during the period of this licence (no break in coverage).
 - 3.0.3 Copies of the annual test certificates must be sent to the council within 14 days of issue or within 14 days on request.
- 3.1 All electrical appliances supplied by or on behalf of the Licence Holder must be kept in a safe condition and meet the requirements of the relevant British Standard [MANDATORY CONDITION].
 - 3.1.1 A copy of the current electrical appliance(s) test certificate must be provided to all tenants/ occupiers at the start of their tenancy.
 - 3.1.2 All electrical appliances must be tested regularly and copies of electrical appliance test certificate(s) retained for the duration of the licence and provide copies to the council within 14 days on request.
 - 3.1.3 A portable appliance test is an effective way to identify appliance defects.
- 3.2 All furniture supplied by or on behalf of the Licence Holder must be kept in a safe condition and meet the requirements of the relevant British Standard [MANDATORY CONDITION].

- 3.2.1 A declaration identifying the furniture provided and as to the safety of such furniture must be provided to the council within 14 days on request.
- 3.3 The Licence Holder must ensure that the occupiers of the house are given suitable information in writing about waste and recycling storage and collection at the start of their occupation. A document or email that offers the information in 3.3.1 to 3.3.4 (all with links to the Croydon council website) is deemed acceptable for this condition.
 - 3.3.1 The collection days for the refuse and recycling bins for the house.
 - 3.3.2 Details on what they can and can't recycle.
 - 3.3.3 How they can organise collection of or dispose of bulky waste
 - 3.3.4 General waste guidance from the Authority's website.
 - 3.3.5 A copy of the information provided to the occupiers must be retained for the period of the licence and provided to the Authority within 14 days on request.
- 3.4 The Licence Holder must ensure that regular checks are carried out to ensure that the common parts, gardens and yards are free from waste, which could provide harbourage for pests and/or is a nuisance and/or is detrimental to the local amenities, other than waste stored in appropriate receptacles for the storage of household refuse and recycling; and that waste such as old furniture, bedding, rubbish or refuse from the house is not left outside the property or in its vicinity.
 - 3.4.1 No refuse shall be kept in the front or rear garden other than in an approved storage container for that purpose.
- 3.5 If the Licence Holder becomes aware that the occupiers of the house or their visitors are not using the waste disposal facilities provided and/or leaving waste outside the house or in its vicinity (for example old furniture, mattresses), they must ensure that a warning letter is sent to the occupiers within 14 days advising them to remove the items immediately.
 - 3.5.1 Any correspondence, letters and records created in compliance with this condition must be retained for the duration of the licence and provided to the council within 14 days on request.
- 3.6 The Licence Holder must ensure that prompt action is taken to investigate and effectively address complaints about disrepair, waste or pest infestation at the property.
 - 3.6.1 The Licence Holder must ensure, in particular that a written response is made to any such complaint within 14 days of notification, stating what action has been or will be taken giving time periods.
 - 3.6.2 Copies of any such written complaint (including by email) and the response referred to in conditions 3.6.1 must be retained throughout the term of the tenancy and be provided to the council within 14 days on request.
 - 3.6.3 The tenant must be informed of any actions that he / she needs to take with regards their responsibilities for dealing with pest infestations in line with tenancy agreements.

- 3.7 Where the Licence Holder becomes aware of a pest problem or infestation at the property he shall take steps to ensure that a treatment programme is carried out to eradicate the pest infestation.
- 3.8 The Licence Holder shall ensure that any repairs, improvement works or pest treatments at the house are carried out by competent person(s) who is employed directly by the Licence Holder or an agent/employee of the Licence Holder. Copies of receipts and/or invoices for any such works must be retained for the period of the licence and provided to the Authority within 14 days on request.
- 3.9 The Licence Holder must inform the council within 14 days of any material changes in their own circumstances and, within 14 days of becoming aware of them, of any known and material change in the circumstances of the person managing or and person involved in the management of the house, such as:
- 3.9.1 Details of any unspent convictions not previously disclosed to the Authority that may be relevant to the Licence Holder or the property manager or the status of either of them as a 'fit and proper person', including in particular a conviction in respect of any offence involving fraud or dishonesty, violence, drugs or any offence listed in Schedule 3 to the Sexual Offences Act 2003.
 - 3.9.2 Details of any finding by a court or tribunal against the Licence Holder and/or the property manager that he or she has practised unlawful discrimination.
 - 3.9.3 Details of any contravention on the part of the Licence Holder or property manager relating to housing, fire safety, planning, public health, environmental health, or landlord and tenant law, which has led to civil or criminal proceedings and a judgment or finding being made against him or her.
 - 3.9.4 Information about any property the Licence Holder or property manager owns or manages, or has owned or managed:
 - 3.9.4.1 which has been made subject to a control order under section 379 of the Housing Act 1985, in the five years preceding the date of the application; or
 - 3.9.4.2 which has been the subject of any enforcement action described under Part 1 sections 5(2) or 7(2) of the Housing Act 2004, concerning Category 1 and Category 2 housing condition hazards;or
 - 3.9.4.3 in relation to which a local housing authority has either refused to grant a licence under Part 2 or 3 of the Act, or has revoked a licence.
 - 3.9.4.4 which has been the subject of an interim or final management order under the Housing Act 2004.
 - 3.9.5 For the Licence Holder to provide information to the council any material changes in their own circumstances and of any known and material change in the circumstances of any person managing or involved in the

management of the house. This must be provided to the council within 14 days on request.

- 3.9.6 The material change can relate to any action that has occurred in relation to any activity within England and is not limited to the Borough of Croydon.

4. FIRE SAFETY

- 4.0 The Licence Holder must make sure that a smoke alarm is installed on each storey of the house on which there is a room used wholly or partly as living accommodation. All smoke alarms or fire detection systems within the house must be maintained in good working order at all times during the period of this licence [MANDATORY CONDITION].
- 4.1.1 Within 14 days of request, the Licence Holder must make a declaration as to the positioning and operation of the smoke alarms.
- 4.1.2 The Licence Holder must regularly check the working order of the smoke alarm or fire detection system.
- 4.1.3 Certain fire detection systems have inspection frequencies dictated by recommendations in British Standards. A copy of the current test certificate(s) (including periodical inspection report / annual check) must be provided to the council within 14 days on request.
- 4.1.4 The Licence Holder must test any smoke alarm within the property on uptake of a new tenancy. If the smoke alarm is not working then a new smoke alarm must be installed.
- 4.1.5 For Multi-Let Property licences. The licence holder must ensure that a Fire Risk Assessment is undertaken in accordance with The Regulatory Reform (Fire Safety) Order 2005 and that action to minimise the risk of fire at the property (containing dwellings) is taken in accordance with the assessment. The licence holder must ensure that any fire detection equipment, fire alarms and emergency lighting at the property are maintained in good working order by competent persons. The licence holder must ensure that the council is provided with, if requested, a copy of the Fire Risk Assessment, all periodical inspection reports and test certificates for any automatic fire alarm system, emergency lighting and fire-fighting equipment provided in the property.
- 4.2 A carbon monoxide alarm is installed in any room in the house which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance.
- 4.2.1 Keep any such alarm in proper working order and supply the council within 14 days on request with a declaration by him as to the condition and positioning of any such alarm.
- 4.3 The Licence Holder shall ensure that tenants are fully briefed about what to do in the event of a fire. A written declaration of fire procedure shall be submitted to the tenant at the start of the tenancy. A copy of the fire procedure must be provided to the council within 14 days on request.

5. GENERAL

- 5.0 The Licence Holder must arrange for access not giving less than 24 hours' notice to be granted at any reasonable time and must not obstruct council officers carrying out their statutory duties including the surveying of the property to ensure compliance with licence conditions and any relevant legislation.
- 5.1 The Licence Holder shall if required provide the council with the following particulars with respect to the occupancy of the house:
- 5.1.1 The names, sex, age and numbers of individuals/households accommodated, specifying the rooms they occupy within the property.
- 5.1.2 The function of the room and size of the room.
- 5.1.3 The information shall be provided to the council within 14 days on request.
- 5.2 The Licence Holder shall inform the council of any change in ownership, Licence Holder, property manager or interested party of the house.
- 5.3 The Licence Holder shall ensure that whilst any alteration or construction works are in progress, the work is carried out to ensure the safety to all persons occupying or visiting the premises.
- 5.3.1 Before significant works start a minimum of 14 days' notice shall be given to the tenant (except emergency or by agreement).
- 5.4 The Licence Holder shall ensure that on completion of any works, the property shall be left in a clean tidy condition and free from builders' debris.
- 5.5 The Licence Holder shall ensure that the property meets relevant planning and building regulation requirements and that the status of the property is in line with the required legislation.
- 5.5.1 Website: For planning and building regulation queries please refer to the planning pages on the council's website
Address: Public Realm Division, Place Department, Bernard Weatherill House, 8 Mint Walk, Croydon, CR0 1EA.
Telephone: 0208 726 6100.

6. MANAGERS RESPONSIBILITY FOR COMPLIANCE WITH LICENCE CONDITIONS

- 6.0 A Licence Holder can impose restrictions or obligations on another person to ensure that the licencing conditions are satisfied. A Licence Holder can only impose restrictions or obligations where that person has consented to the imposition of the restrictions or obligations. If the Licence Holder appoints a person to manage the house (where this involves the consent to the imposition of the restriction or obligations) during the period of the licence, he or she must meet conditions 6.1 to 6.4 inclusive. This condition is to ensure there is clarity over who has responsibility to meet the conditions.
- 6.1 Before or upon the person's appointment, obtain from the person a written declaration ("Declaration of Management") identifying the licence conditions, if

- any, by which he or she agrees to be bound. The declaration can state compliance with;
- 6.1.1 All of the conditions.
 - 6.1.2 Some of the licence conditions
 - 6.1.3 None of the licence conditions.
- 6.2 Ensure that the “Declaration of Management” includes:
- 6.2.1 A recital that the person has read and understood the requirements of the licence conditions;
 - 6.2.2 A notice informing the person that a failure to comply with the conditions may result in criminal and/or civil liability, including an unlimited fine or a financial penalty of up to £30,000 for each breach;
 - 6.2.3 A notice that, if the person requires advice about the conditions or any failure to comply with them he or she should consult a Citizens Advice Bureau or a housing solicitor, before signing the declaration;
 - 6.2.4 A recital that the person understands the consequences of failing to comply with the licence conditions;
 - 6.2.5 A recital that either (6.1.1) the person agrees to be bound by all of the licence conditions, (6.1.2) the person agrees to be bound by such of the conditions as the declaration specifies or (6.1.3) a recital that the person does not agree to be bound by any of the licence conditions, and
 - 6.2.6 In the case of (6.2) or (6.3) below, a statement that the Licence Holder alone is bound by the licence conditions;
- 6.3 Ensure that the aforementioned “Declaration of Management” is signed and dated by the appointed manager; and
- 6.4 Either on request from the council or within 14 days of the manager’s appointment, ensure that the council is provided with a copy of the “Declaration of Management”.

Note. Section 90 of the Housing Act 2004 enables the council to impose conditions on the licence holder and other appointed persons. Some of these conditions are mandatory conditions as required by section 90(4) and listed in Schedule 4. CPRPL 2020 is a Part 3 scheme. Conditions 1.0, 1.1, 1.4, 3.0, 3.1, 3.2 and 4.0 are the mandatory conditions.

Failure to comply with any licence condition may result in proceedings including fines up to £30,000 and loss of the licence.

GLOSSARY:

ANTI SOCIAL BEHAVIOUR – A widely used definition of anti-social behaviour is the definition contained in the Crime and Disorder Act (1998): ‘Acting in a manner that caused or was likely to cause harassment, alarm or distress to one or more persons not of the same household.’

BUILDING CONTROL- This licence does NOT grant any Building Control (Development Control) approvals, consents or permissions, retrospectively or otherwise. This licence does not offer any protection or excuse against enforcement action taken by the Building Control (Development Control) Department.

CONSUMER RIGHTS & UNFAIR PRACTICES - The Licence Holder's attention is drawn to Office of Fair Trading's (OFT) guidance on unfair contracts in relation to their tenancies or licences. The Licence Holder must negotiate its agreements in good faith and must not carry out misleading or aggressive commercial practices. Full information should be supplied to any prospective occupier including details of this licence.

It is not the responsibility of the Authority's Property Licensing Team to ensure the Licence Holder has complied with the above statutory requirements. If you are unclear on any of the matters outlined above, you should seek professional advice.

ENERGY PERFORMANCE CERTIFICATE (EPC) – a certificate (and associated report) that sets out the energy efficiency rating of a property and contains recommendations for ways in which the energy efficiency of the property could be improved. Most domestic (and non-domestic) buildings sold, rented out or constructed since 2008 must have an EPC. An EPC may also be required when a property is altered in particular ways.

LICENCE HOLDER – A licence holder has full responsibility for ensuring that the licence conditions are met. The council will determine that the licence holder is the most appropriate person to hold the licence. For the purposes of the conditions this person can also include a person who has, for the term of the licence, consented to the Licence Holder imposing restrictions or obligations on them to ensure that the licencing conditions are satisfied. This consent must be agreed formally and be sent in at the point of the licence application.

OVERCROWDING – An overcrowded house is measured using a statutory standard contained within the Housing Act 1985. The standard includes any habitable room (bedroom, living room, dining room, study etc) but does not include non-habitable rooms such as the bathroom or a non-dining kitchen or hallway. The areas with ceilings less than five foot (1.524m) are not included in the measurements. The standard considers:

1. Room standard – numbers of people permitted with room numbers. E.G If here are two bedrooms a maximum of three people can occupy.
2. Space standard – numbers of people permitted to sleep in rooms of specified sizes. E.G. One person (over 10 years old) can sleep in a room 6.5 to 8.36m² (70 to 90ft²)
3. Gender overcrowding - no two persons, over 10 years old, of opposite sex should have to sleep in the same room (unless living as a couple).

The government has proposed the introduction of a bedroom standard to replace the current statutory standard set out above. A standard number requirement of bedrooms is calculated for each household in accordance with its age/sex/marital status composition. In addition to the Overcrowding Standards, we also have regard to the provisions of the Housing Health and Safety Rating System (HHSRS).

PLANNING PERMISSION - This licence does NOT grant any planning approvals, consents or permissions under the Town and Country Planning Act 1990 or any related planning legislation, retrospectively or otherwise. If the property is being used as a House in Multiple Occupation (HMO) this may constitute a breach of planning control and you should check the Authority's website to ensure the correct planning permissions are in place. This licence does not offer any protection against

enforcement action taken by the Planning Department. If you are unclear on the matters outlined above you should seek professional planning advice.

PROPERTY CONDITION - This licence is NOT evidence that the property is safe or free from hazards and defects. The licence does not offer any protection against criminal or civil legal action being taken against the Licence Holder, or anyone else with an interest in the property, in respect of any hazards, nuisances or any other problems discovered in relation to the condition of the property.

The property licence and conditions do not imply or grant by inference or otherwise any approval or permission for any other purposes including those for Building Control, Development Control and under The Regulatory Reform (Fire Safety) Order 2005. Conversely compliance with any of those requirements does not confer or imply compliance with the requirements of the Housing Act 2004 including property licensing.

Any requirements relating to the licence and conditions are without prejudice to assessments and appropriate actions including enforcement actions under the Housing Act 2004. This includes actions to deal with Category 1 and Category 2 hazards as may be identified under Housing Health and Safety Rating System (HHSRS) and does not preclude such action.

PROSECUTION/ CONTRAVENTIONS CONSEQUENCES – If an offence is committed the council may look to take action which can include the issuing of a Simple Caution, Financial Penalty, or a prosecution in the Magistrates Court. Please note that any legal action taken against the Licence Holder or anyone associated with Licence Holder, or the management of the property (with or without responsibility for conditions), may affect the Licence Holder's 'fit and proper' status. The Authority can revoke or vary the licence at any time, giving proper statutory notice.

SUPERIOR LANDLORD – the person or company for the time being who owns the interest in the property which gives him the right to possession of the premises at the end of the landlord's lease of the property.

**Proposed fee structure for CPRPL 2020
Croydon Private Rented Property Licence 2020 [CPRPL 2020]**

<u>Proposed Licence fee structure (per dwelling)</u>	Total Fee	Part A	Part B
Single dwelling licence (new application)	£350.00	£185.50	£164.50
Single dwelling licence (standard fee)	£750.00	£397.50	£352.50
Multi-let application (>1 dwelling) (new application)	£300.00	£159.00	£141.00
Multi-let application (>1 dwelling) (standard fee)	£650.00	£344.50	£305.50

All licences to be granted for 5 years which may extend post designation.
New application - a discounted fee for new applications received regarding premises who have been previously licenced with CPRPL 2015 OR first letting discounted for newly constructed dwellings or premises let for the first time (application within one month of tenancy commencing).

£50 additional charge to support applicant with application.

The fee for an Almshouse is £30 (Part A payment only).

<u>One Year Licence fee structure (per dwelling)</u>	Total Fee	Part A	Part B
Single dwelling licence (one year)	£468.00	£397.50	£70.50
Multi-let application (>1 dwelling) (one year)	£405.60	£344.50	£61.10

One Year Licence - for when the council determine a licence for less than 5 years should be granted. This will allow higher levels of monitoring or a licence holder needs time to get his/ her property management in order

<u>Proposed Temporary Exemption Notice fee structure (per dwelling)</u>	Total Fee	Part A	Part B
Single dwelling TEN application	£100	n/a	n/a
Multi-let dwelling licence TEN application	£100	n/a	n/a

These fees are applicable as appropriate in relation to licensing applications, or where properties are licensed.

<u>Licensed Premises Proposed Licence Variation</u>	<u>Variation Application Fee</u>
Change of address details of any existing licence holder, manager, owner, mortgagor, freeholder, leaseholder etc.	No fee
Change of mortgagor, owner, freeholder, and leaseholder (unless they are also the licence holder or manager)	No fee
Reduction in the number of maximum occupiers and/or households for licensing purposes	No fee
Variation of licence instigated by the council	No fee
Change of licence holder (e.g following sale)	Application fee
Change of manager (unless they are also the licence holder)	No fee
Increase in the number of maximum occupiers and/or households for licensing purposes, through increasing the number of habitable rooms, change in room sizes, and/or amenity provision	No fee

<u>Action</u>	<u>Applicable Fee</u>
Revocation of licence	No refund of application fee
Application to licence following revocation of licence	Application fee
Application refused by the council	Part A application fee not refunded
Application withdrawn by the applicant	Part A application fee not refunded
Application made in error and not granted e.g. duplicate or exempt.	No fee, and a refund of the Part A fee will be made.
Properties that cease to be licensable during the licensing process (as when planning permission subsequently refused)	No refund of application fee
Enforcement action under Part 1 of the Housing Act 2004 relating to a licensed property (Charged under The Housing Act 2004, Section 49)	A separate charge for action, currently £650 for notice with additional £100 per hazard.

Croydon Private Rented Property Licence 2020 [CPRPL 2020] Frequently asked questions (FAQs)

General information.

What is the Croydon Private Rented Property Licence scheme?

The Croydon Private Rented Property Licence (CPRPL) is a licensing scheme for private rented properties. It applies to all privately rented properties that are not exempt or required to be licensed in a separate scheme as Houses in Multiple Occupation (HMOs).

Part 3 of the Housing Act 2004 gives councils the power to implement selective licensing for private rented properties within a designated area. Part 2 covers the Mandatory HMO licensing scheme

Is the CPRPL the same thing as selective licensing?

Yes, CPRPL is the name for the scheme which is also known as selective licensing. It is shortened to CPRPL 2020.

Why are you introducing it?

The council is looking to 'continue' the current scheme. This commenced on the 1st October 2015 and lasts for 5 years until the 30th September 2020. The council hopes that CPRPL 2020 will commence on the 1st of October 2020. The aims of the CPRPL 2020 are to help raise housing standards, control overcrowding, reduce anti-social behaviour, reduce crime and tackle deprivation across the Borough. By encouraging an improved private rented sector with settled communities Croydon becomes a 'Better Place to Rent'.

Who will it apply to?

It's a legal requirement for all Croydon landlords (some exemptions apply) to have a licence for each of their privately rented properties. The proposed start date is the 1 October 2020 [This will be the assumed commencement date for the purpose of the FAQ].

What will it cost (a landlord)?

A CPRPL is £750 per dwelling (discounts apply) paid in two stages; A and B. An application can be made for either a single dwelling or with a property, which comprises more than one dwelling; a multi-let application.

Landlords with multiple rented properties across the Borough must complete an application for each property.

The fee requires two payments; Part A and Part B. The Part A payment is a non-refundable administration fee. The Part B payment is to cover the costs of the enforcement and administration of the CPRPL 2020 designation. It must be paid on request at the point that the council is ready to issue the property licence.

The HMO scheme has a different fee structure. The fee structure is on the website [here](#). No VAT is charged as part of the fee.

Any reduced fee is subject to eligibility and the terms and conditions of CPRPL 2020.

<u>Proposed Licence fee structure</u> <u>(per dwelling)</u>	Total Fee	Part A	Part B
Single dwelling licence (new application)	£350.00	£185.50	£164.50
Single dwelling licence (standard fee)	£750.00	£397.50	£352.50
Multi-let application (>1 dwelling) (new application)	£300.00	£159.00	£141.00
Multi-let application (>1 dwelling) (standard fee)	£650.00	£344.50	£305.50

A reduced licence fee for 'new' licence applications is available. To be eligible;

1. The premises must have been licenced under CPRPL 2015 and the new application is identical. The 'new' application must be duly made before the 1st October 2020, OR.
2. The premises have being let for the first time such as through construction (new build, conversion, tenure change) and a duly made application is made within one calendar month of the first tenancy term commencing. (Tenancy agreement to be uploaded with application)

The reduced fee of £30 for Almshouse applications is retained.

What is a Multi-Let property application?

Some landlords own buildings that are divided into a number of separate dwellings. This can be purpose built or through conversion. The legislation gives the council discretion to consider an application that is made to have one licence holder for the building containing a number of lets. If accepted the council will grant a Multi-Let Property Licence. It is still a selective licence. The council will need to be satisfied that conditions are met and this approach is the best course of action.

Alternatively, the council may decide that each separate dwelling in the building should have its own licence, a Single Dwelling licence. If the council is satisfied that Single Dwelling Licences should be granted, it will give notice of this to the licence applicant and other parties. Anyone dissatisfied with this approach has the right to make an appeal.

For the council to use its discretion to grant a Multi-Let property licence, meeting the following conditions is the first stage of the application assessment:

- Each of the dwellings are separate dwellings (usually self-contained flats), which adjoin one another in the same building; and
- Each of the dwellings are occupied under non "exempt tenancies"; and
- Each of the dwellings are within common ownership and management control.
- Clear responsibility for the CPRPL licensing conditions is achievable.

What are the fees for a Multi-Let Property Licence?

An applicant for a Multi-Let property licence is entitled to a fee that is reduced to reflect the slightly reduced administrative and enforcement costs. A reduction is offered for both the Part A and Part B payment. E.g If a house is formed of 5

dwelling a fee of £300 or £600 (£1,500 or £3,000) is due with the application. If the application is not successful the single dwelling licence fee structure is applicable.

Are there risks for Multi-let Property Licence Holders?

A licence cannot be transferred and to remain valid the property management arrangements cannot change. The main risk occurs with the licence covering a greater number of dwellings meaning there is an increased chance of a change which could deem the current licence void. In this situation a new application maybe necessary as a CPRPL cannot be transferred.

How long does a licence last?

Most licences will be issued for a five year period. This may mean the licence is granted for a period that is longer than this 5 year designation. The council has the discretion to issue a licence for a shorter period of up to 5 years.

When can one year licences be issued?

The council is aware that not all landlords provide high levels of management or meet the current fit and proper person test. If higher levels of monitoring are needed or a licence holder needs time to get his/ her property management arrangements in place the council may look to issue a licence for a shorter period; possibly just for one year. A new application would be needed at the end of the one year period and the council would then make a further assessment.

<u>One Year Licence fee structure (per dwelling)</u>	Total Fee	Part A	Part B
Single dwelling licence (one year)	£468.00	£397.50	£70.50
Multi-let application (>1 dwelling) (one year)	£405.60	£344.50	£61.10

What happens at the end of the period the licence is granted for?

If a designation is in place you will need to make an application for a new licence. The council will keep licence holders updated using the website, Landlord Forums and electronic newsletters.

Why would an applicant be refused a licence?

An application for a licence can be refused for a number of reasons. These can include situations where the proposed licence holder does not meet the fit and proper person test or where the proposed management arrangements are not satisfactory. Croydon will look to be more proactive with CPRPL 2020.

Application process

When do landlords have to be licensed from?

It is proposed that CPRPL 2020 commences from the 1st October 2020. It is a legal requirement for a property to be licensed from this date.

How will you be able to apply?

Applications will be able to be made on-line from the 1st July 2020 via a link on the council’s website. At this stage it is not known whether past information can be

transferable. If you are unable to apply online an officer can provide support to you with the application. An additional fee of £50 is due as part of the Part A payment for this service.

Who can be a licence holder?

A licence holder can be a single person, a limited company or a small group of people. If a limited company is the proposed licence holder the full company name and UK registered office address is needed along with a listed director who is subject to the assessment including the 'fit and proper person' test.

In addition to a licence holder, a further person can agree to support the licence holder and accept responsibility for ensuring compliance with the property licensing conditions. The further person must have signed a clear 'Declaration of Management' that will need to be submitted as part of the licence application.

Applicants need to be made aware that should the nominated licence holder cease to operate, the existing licence is non-transferable. This means that a new licence will have to be applied and paid for.

Who is most suitable to be the Licence Holder?

The Housing Act 2004 requires the council to only grant a licence to the most appropriate person. In most circumstances this would be the property owner or the named landlord on the tenancy agreement. Generally the licence holder must;

- Be the person who is responsible for managing and is in control of the property and must be a 'fit and proper' person.
- Be able to authorise, organise and pay for essential repairs to the property.
- Be available to the tenants should problems arise in respect of the property, and must have the means to resolve them where reasonably practical.
- Be able to let and terminate the tenancies;
- Have access to all parts of the premises to the same extent as the owner.

The council can grant a licence either to the applicant, or to some other person, if both the person and the applicant agree.

Where can the Licence Holder live?

- The council will accept an application where the licence holder lives in the British Isles.
- A person cannot be a licence holder and live outside of the British Isles unless further arrangements are made for the management of the property. Here, another person or management company, who will sign the Declaration of Management, needs to be appointed.
- The Declaration of Management will allow a third party to consent to the imposition of the restrictions or obligations (conditions) under CPRPL 2020.
- For the purpose of licencing the council sees The British Isles as the group of islands in the North Atlantic off the north-western coast of continental Europe that consist of the islands of Great Britain, Ireland, the Isle of Man, the Hebrides and over six thousand smaller isles including the islands of

Alderney, Jersey, Guernsey, and Sark, and their neighbouring smaller islands.

Mortgage Companies (mortgagees).

The council requires the application to include details of all interested parties involved in the ownership or management of the property. The council must inform all parties that a Licence is intended to be granted. An interested party includes the mortgage company who has provided funding for the property. The mortgagor must provide up to date details about the mortgagee (bank / lender). An application is not duly made without this information.

Making the assessment to issue a licence.

For the council to issue a licence it must be satisfied that the:

- Proposed licence holder and proposed manager (if there is one) is a 'fit and proper person'
- Proposed licence holder is the most appropriate person to hold the licence
- Proposed management arrangements are satisfactory; and
- Persons involved in the management of the house are competent.

The words competent, satisfactory and arrangements are all used to ensure that the property functions. The council will assess whether management arrangements are satisfactory where a council debt exists at an address or against a person.

What documents and information are needed to apply for a licence?

As part of a duly made application the council expects the following documents to be uploaded;

1. Property plan detailing fire safety measures (position of alarms) and room sizes and occupancy rates (crowding).
2. Gas safety certificate (current).
3. Energy performance certificate.
4. Declaration of Management (appointment of other parties to accept responsibility).
5. Tenancy agreement (where new application discount being applied for).

Is tacit consent provided?

With regards to the granting or refusing, of a Licence under section 88 of the Housing Act 2004, the Local Housing Authority will aspire to issue a decision following a completed application, within a reasonable period. Not meeting this target will not confirm tacit consent. Unfortunately the council may not be able to continually update applicants as to the progress of an application towards review.

Will the property be inspected?

The council will prioritise premises for inspection either during the application process or after a licence has been issued. Not all premises will be inspected but licence holders can request an inspection by contacting SellLicinspection@croydon.gov.uk or telephoning 0208 760 5476.

What happens once my licence is approved?

Once your application is approved, you will be sent confirmation of your licence which will also include the terms and conditions. We will also sign you up to the Croydon private rented property licence scheme e-newsletters and invite you to

landlord forum events. There is also a landlord information pack on line, useful links and previous newsletters and advice sheets all aimed at helping landlords.

Is a CPRPL transferable to another property or person?

No, a private rented property licence is non-transferable. A licence granted under CPRPL 2015 will not be valid under CPRPL 2020 because it will have time expired.

I rent several properties in Croydon - do I need a CPRPL for each one?

Yes, all privately rented properties in Croydon require an individual licence. An application and fee is to be paid for each dwelling.

How do I report an unlicensed property?

Unlicensed properties can be checked and reported [here](#). [link on Croydon website]

Complaints and Appeal

How can I complain or appeal the decision to refuse a property licence?

If applicants are dissatisfied with a decision the council has made regarding their licence, we would recommend they get in touch with us by email propertylicensing@croydon.gov.uk or by calling 020 8726 6103 (available Monday – Friday 09:00 – 16:00) to discuss the decision.

Where you are still not happy with the service provided or any decision made Croydon Council has a complaints procedure accessed from its [website](#) [\[link\]](#)

If the council revokes or refuses a licence application you will receive a revocation or refusal document in writing. At this stage you can appeal to the Residential Property Tribunal within 28 days of the decision being made.

First Tier Tribunal (Property Chamber – Residential Property)

1st Floor 10 Alfred Place

London

WC1E 7LR

Tel: 020 7446 7700

Fax: 020 7637 1250

Email: rplondon@hmcts.gsi.gov.uk .

Enforcement and prosecution

How are you going to enforce this?

If CPRPL 2020 commences the council will look to allocate a high level of resources to seek landlords who have not licensed under the CPRPL 2020. As part of the data collection behind CPRPL 2020 information has been gather to help enforce non-compliance.

Landlords should not expect to receive a warning before full enforcement action is started for licencing offences.

What are the penalties for breaking a licence or not having one?

Landlords renting out a property without a licence could face prosecution with an unlimited fine from the Court or a fixed penalty up to £30,000. This could result in the landlord licence being refused and the property being required to license under the name of an alternative licence holder.

For properties that continue to be unlicensed the council can make an application for an Interim Management Order which gives the council the power to take over management of the property and collect the rent.

An unlicensed landlord cannot serve notice to their tenants under section 21 of the Housing Act 1988 because the Courts will deem it invalid under these circumstances. The council or tenant can make an application to the Residential Property Tribunal for a Rent Repayment Order (RRO) for up to 12 months rental income.

Prosecution for not licensing or providing false or incorrect information can lead to an application for a Landlord to be banned.

Inspections

How will inspections work?

Licensed private rented properties may be inspected. The council will look to implement a variety of approaches to enforce the scheme. This will include a self-declaration approach as well as property inspections. The council will look to prioritise resources.

How long will each inspection take?

A licence holder will be normally given warning about a CPRPL 2020 inspection. This is normally 10 days. This will give time for documents to be submitted to the council. Depending on the size and condition of the property, the inspection could take 30 minutes.

What are the penalties for a breach in Licence Condition?

The council expect landlords to be proactive in complying with property conditions. If there is a breach the licence holder could face prosecution with an unlimited fine from the Court or a fixed penalty up to £30,000. This action could impact on the fit and proper person definition and ability to hold a landlord licence.

Other information about CPRPL 2020.

Can someone complete the application on my behalf?

Yes. The application can be completed by the proposed licence holder, the letting or managing agent or a third party on behalf of the agent or owner.

Providing inaccurate information on a licence application.

Under section 238 of the Housing Act 2004 it is an offence to provide false or misleading information. An applicant needs to be sure the information provided in an application (including a declaration about the fit and proper person declaration) is true.

Fit and proper assessment. What is the 'fit and proper' assessment the licence holder and managers have to go through?

Under the Housing Act 2004, licence holders and managers must be 'fit and proper' persons in order to undertake the responsibilities of managing a private rented property. The council has to assess whether proposed licence holders (including

director or partner in a company or organisation) are 'fit and proper' persons to hold a CPRPL.

To be fit and proper the council expects the person to have no serious record of poor management or an outstanding criminal charge (unspent) that is inconsistent with operating as a landlord.

To assist the council in making proper assessments of suitability, details about previous criminal convictions must be disclosed in the application. The applicant and proposed licence holder provides a signed declaration. Any incorrect or false information given will be investigated as a possible offence under section 328 of the Housing Act 2004

If the licence holder or other person is convicted of any relevant offence(s) during the licence period the council must be notified immediately.

If the licence holder or manager fails the fit and proper test, your application may be refused or revoked and the licence application fee will not be refunded.

At what times am I entitled to a refund (refer to fee structure)?

Refunds **will** be issued if:

- You have made a duplicate application
- You made an application for an exempted property by mistake.

Refunds **will not** be issued if:

- We refuse your application
- You withdraw your application
- We revoke (take away) your licence (after it has been granted)
- You are refused planning permission for a non-mandatory licence.
- You sell your property, stop letting it or cancel your licence.
- A new licence holder is appointed.

Are there any properties that are exempt from licensing?

There are some properties that are exempt from licensing, however they must fall into one of the following categories;

- The property is an HMO that already requires a licence under a mandatory HMO or additional licensing scheme;
- The tenancy or licence has been granted by a registered social landlord under Part I of the Housing Act 1996.
- The property is subject to an Interim or Final Management Order under Part 4 of the Housing Act 2004 (i.e. the council have taken over the management of the property);
- The property is covered by a temporary exemption notice; or
- The property is occupied under an exempt tenancy or licence, as defined in the *Selective Licensing of Houses (Specified Exemptions) (England) Order 2006*. Examples include:
 - Any property subject to a Housing Act 2004 prohibition order;
 - Certain tenancies associated with business premises, Licensing Act 2003 premises, agricultural land or agricultural holdings;

- Buildings managed by a local housing authority, police or fire & rescue authority or a health service body;
- Buildings already regulated under certain other statutory provisions (Schedule 1 to SI 2006 Number 373)
- Certain student halls of residence;
- Holiday homes; and
- Buildings let to a member of the landlord’s family or where an occupant shares any accommodation with the landlord or a member of the landlord’s family (with sufficient lodgers this may become an HMO).

The council does not view properties let to property guardians as exempt from the licensing regime.

When can I apply for a Temporary Exemption Notice?

If you have a licensable property and you are in the process of making it non-licensable you can apply for a Temporary Exemption Notice. Selling the property is one example. The council can grant you a notice (TEN) for a maximum of 3 months. In circumstances you may be granted a second TEN. You cannot apply for a third TEN.

In making a decision about whether to grant a TEN the council will consider the period (if any) that the property has been licensable for. A TEN will not be granted where the property has been rented for a long period.

<u>Proposed Temporary Exemption Notice fee structure (per dwelling)</u>	Total Fee	Part A	Part B
Single dwelling TEN application	£100	n/a	n/a
Multi-let dwelling licence TEN application	£100	n/a	n/a

If the property remains licensable, you need to tell the prospective purchaser that they have to apply for a licence in their own name.

What documents and information are needed to apply for a licence?

The council is considering allowing licence holders to store licensing condition documentation on the *Croydon my account* site. This is to assist the council with the application process and also the enforcement of the CPRPL 2020 scheme.

It is also being considered whether the council writes to the licence holders at the expiration of the gas safety certificate to request new documentation.

Where a CPRPL 2020 property inspection is scheduled the licence holder is requested to supply the council with the following documentation.

1. Property plan detailing fire safety measures (position of alarms) and room sizes and occupancy rates (crowding).
2. With Multi-Let licences a fire risk assessment and other fire safety measure certification (emergency lighting, sprinklers)
3. Gas safety certificate.
4. Electrical appliance(s) test certificate or declaration.
5. Declaration that the furniture and furnishings meets safety standards
6. Tenant's written statement of the terms (tenancy agreement)
7. Tenant's reference(s)
8. Statutory tenancy deposit scheme receipts / prescribed information
9. Periodic Electrical Inspection Condition report (where available).
10. Energy Performance Certificate (EPC)
11. Property inspection record (6 month frequency)
12. Tenancy management arrangements (ASB) and log of activity.
13. Tenant's information sheet: covering waste, recycling, storage and collection.
14. Declaration of Management (appointment of other persons to accept responsibility).

14 Sources of data and information for the consultation document:

1. London's Poverty Profile 2017, Trust for London. [Online here.](#)
2. Cabinet report: Housing Strategy and Action Plan for Croydon [Online here.](#)
3. Cabinet report: Consultation on proposals to renew private sector housing Selective Licensing Scheme in Croydon: [Online here.](#)
4. Scrutiny Streets, Environment & Homes Scrutiny Sub-Committee. 19th March 2019. [Online here.](#)
5. Croydon Private Rental Property Licence (CPRPL): Guidance Pack for CPRPL Applicants: [Online here.](#)
6. Croydon Private Rental Property Licence (CPRPL): Guide and Conditions 2016: [Online here.](#)
7. London Borough of Croydon. Private Rented Sector: Housing Stock Condition and Stressors Report. Data from April 2015 to March 2019. Metastreet - September 2019: [Online here.](#)
8. 2018 UK Greenhouse Gas Emissions, Provisional Figures Statistical Release: National Statistics March 2019. Department for Business, Environment and industrial Strategy: [Online here.](#)
9. The Evolving Private Rented Sector: Its Contribution and Potential. Julie Rugg and David Rhodes 1998. University of York: [Online here.](#)
10. English House Conditions Survey 2017-18. [Online here.](#)
11. Spring 2019, the Government published an Independent Review of the Use and Effectiveness of Landlord Licensing. [Online here.](#)
12. Mayor of London's Blueprint. Vision for reforming the private rented sector: [Online here.](#)
13. Housing Act 2004 – Part 3. [2004 Act]
14. The Selective Licensing of Houses (Additional Conditions) (England) Order 2015. [2015 Order].
15. Housing and Planning Act 2016. [2016 Act].
16. Office for National Statistics [ONS].
17. Croydon services focusing on the tenant and landlord welfare such as '[Just Be](#)' and '[Healthy Homes](#)'.
18. Consultation information - www.croydon.gov.uk/betterplacetorent
19. A list of addresses for all properties in the 16 LSOA areas Option 1 designations 1 and 2. www.croydon.gov.uk/betterplacetorent .

15 Glossary for consultation

1. Anti-social behaviour is **defined** as '**behaviour** by a person which causes, or is likely to cause, harassment, alarm or distress to persons not of the same household as the person' (in **Antisocial Behaviour** Act 2003 and Police Reform and **Social** Responsibility Act 2011).
2. Category 1 hazard. Part 1 of the Housing Act 2004 introduces a hazard rating system. The system has 29 hazards and a hazard can be in Category 1 or 2. A serious hazard is one that has been measured as Category 1 under the Housing Health and Rating System [HHSRS].
3. Fuel Poverty. Fuel poverty in England is measured using the Low Income High Costs (LIHC) indicator. Under the LIHC indicator, a household is considered to be fuel poor if:
 - they have required fuel costs that are above average (the national median level)
 - were they to spend that amount, they would be left with a residual income below the official poverty line
4. Energy Performance Certificates. An Energy Performance Certificate (EPC) provides potential buyers and tenants with an indication of the energy efficiency of a property. The certificate will contain information about the property's typical energy costs and will recommend ways to reduce energy use to make the property more energy efficient. The level of efficiency is given a rating figure from A to G.
5. English House Condition Survey (EHCS). The EHCS is a national survey of housing in England, commissioned by Government. It covers all tenures and involves a physical inspection of property by professional surveyors. A report is published annually.
6. Deprivation, Indexes of Multiple Deprivation (IMD). The most recent IMD data was released on the 26th September 2019 by the MHCLG. The Index of Multiple Deprivation (IMD) combines information from the seven domains to produce an overall relative measure of deprivation. The domains are combined using the following weights:
 - Income Deprivation (22.5%)
 - Employment Deprivation (22.5%)
 - Education, Skills and Training Deprivation (13.5%)
 - Health Deprivation and Disability (13.5%)
 - Crime (9.3%)
 - Barriers to Housing and Services (9.3%)
 - Living Environment Deprivation (9.3%)It is common to describe how relatively deprived a neighbourhood is by saying whether it falls among the most deprived 10 per cent, 20 per cent or 30 per cent of small areas in England (LSOA)
7. Local Housing Allowance (LHA). The LHA was introduced on 7 April 2008 to provide Housing Benefit entitlement for tenants renting private-sector accommodation in England, Scotland and Wales. LHA rates relate to the area in which the housing-benefit claim is made. Croydon has 2 different LHA pay rates.
8. Ministry of Housing, Communities and Local Government in the Government. (MHCLG). MHCLG was formed in 2006 and replaced the Office for Deputy Prime Minister and is a Government Department containing housing whose job is to create great places to live and work,

and to give more power to local people to shape what happens in their area.

9. Lower Layer Super Output Area is a geospatial statistical unit used in England and Wales to facilitate the reporting of small area statistics. They are part of the ONS coding system created by the Office for National Statistics. They have a minimum population of 1000 with a mean size of 1,500. In Croydon, the LSOA boundaries have not matched with ward boundaries since the 2018 Croydon ward boundary changes. This means a 'best fit' approach is needed which causes accuracy issues.
10. Office of National Statistics are the UK's largest independent producer of official statistics and its recognised national statistical institute. It is responsible for collecting and publishing statistics related to the economy, population and society at national, regional and local levels. It also conducts the census in England and Wales every 10 years.
11. Private rented sector. The Private Rented Sector (PRS) is a classification of housing in the UK. The basic Private Rented Sector definition is: property owned by a landlord and leased to a tenant. The landlord, in this case, could be an individual, a property company or an institutional investor. The tenants would either deal directly with an individual landlord, or alternatively with a management company or estate agency caring for the property on behalf of the landlord.