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**Croydon Private Rented Property Licence 2020 [CPRPL 2020].  
Council response to consultation responses.**



The consultation exercise ran for a period of 12 weeks from Monday December 16<sup>th</sup> 2019 until Monday March 9<sup>th</sup> 2020. The consultation was completed by Opinion Research Services on behalf of Croydon Council. The council received a large number of responses either as a result of the on-line questionnaire, face to face interviews or direct written responses.

The council must consider any responses received in relation to the consultation. Having carefully considered the responses and officers recommendations regarding, a formal response is provided below. Six headings have been used to simplify the process.

1. Previous scheme, proposed designation area and evidence base.
2. New scheme and application process
3. Proposed property licensing conditions
4. Proposed fees, discounts and charges
5. Operating the new scheme
6. Enforcement of the new scheme.

The responses seek to address all major responses from the consultation in this document. Some responses have led to a change in the proposed scheme.

**Area 1:**

**Response to the Consultation – proposed designation area and evidence base.**

Consultation response	Council response to point
<p><u>Size of scheme and delivery</u> We believe a smaller scheme is delivered which will inspect all the properties, even if this uses a delivery partner for those inspections will create a level playing field. The scheme should commit to inspect all properties that are licensed.</p>	<p>The proposed licensing areas have been chosen following a review of various data sources. This includes, primarily, the London Borough of Croydon Private Rented Sector: Housing Stock Condition and Stressors Report. Metastreet - September 2019. The scheme size has been carefully considered but the statistics support the bold approach and the council does not want any private rented properties and their tenants to be excluded from the significant benefits that the new scheme would bring to the borough. The comments about delivery partner and staff resources have been raised in the consultation and have been noted. Additionally, when determining the scheme size, the significant preference (for residents, business / other respondents but not landlords) where licensing is put in place for a full borough scheme. And whilst the council needs to prioritise the use of its resources, clear and wide objectives for the</p>
<p>We would encourage the council to develop further proposals for a smaller selective licensing scheme that focuses of the areas of greatest concern. If necessary, this could form part of a rolling programme of schemes if evidence emerges of any displacement.</p>	

	<p>scheme have been consulted on and amended for Cabinet approval. Sufficient and qualified staff will be employed to help meet these objectives. The option of procuring external services will be considered. The proposed scheme objectives do not set the target that all properties will be inspected; council intervention and inspections will be prioritised. Compliance will be achieved in a number of ways, including office based audits and inspections and partnership operations.</p>
<p>Croydon should now return to the legislation and consider whether, given that the practice of labelling the entire area has now been stopped, it can truly justify the scheme being applied to the whole borough. If this current consultation is about the 'selective' licensing scheme, then presumably Croydon will at least have to limit their future application to a maximum of 20% of the borough.</p>	<p>The legislation has not changed. A council can still designate a whole borough for the purposes of selective licensing. The Selective Licensing of Houses (Additional Conditions) (England) Order 2015 (2015 Order) introduced the requirement to obtain approval from the Secretary of State where the scheme covers more than 20% of the PRS stock or geographical area and the purposes for which selective licensing could be used were widened.</p>
<p>The licensing scheme places an unnecessary burden on landlords as it covers matters that are already addressed through planning and the building regulations. There are other non-licensing powers in place that can be used to tackle private rented housing issues. If the council is insistent on renewing the scheme it should be limited to the central wards where the largest % change in population is expected (diagrams 3 and 4 of the consultation document).</p>	<p>Selective licensing improves the professionalism of many landlords. The role of building and planning regulations tends to cease post construction or conversion so further regulation is necessary to maintain conditions and management. Croydon uses other measures to work alongside licensing. It looks also to support the 'burden' created with advice, information and template documentation. Croydon does not meet the requirements set by the migration condition included in the 2015 order.</p>
<p>The consultation does not meet any of the prescribed requirements to be clear and to the point. It is close to incomprehensible (even though I spent a career at senior levels in government). The evidence to support the need for licensing more than 20% of the borough is not presented, or uses manipulated figures. The modelling of property conditions does not disclose the assumptions used, and reaches conclusions which are implausible. The figures on the incidence of anti-social behaviour 'from private rented households' do not explain what this means, and in how many incidences the behaviour was at the</p>	<p>The council was aware that the process for a new selective licensing scheme can be very complicated. Supporting documentation can additionally be in-depth and hard to understand. The council endeavoured to present the information in a way to maximise the numbers and range of consultees. The aim was for a wide audience and for no person who wanted to participate to be excluded. The council also offered a variety of ways to provide feedback to help people take part. Officers were available at a number of events to explain the scheme and answer questions.</p>

<p>home and it would have been open to the landlord to take action, (on line some of this section of the consultation is blank). There is nothing to show that there is a particular incidence of anti-social behaviour 'from' private rented housing in those parts of the borough where the sector is below the 20%, latest national average. The figures on deprivation show that much of the borough does not have a high level of deprivation - 13 wards are better than the 50 percentile. There is no evidence of what a comprehensive or near comprehensive scheme would achieve which could not be achieved by other means, and how such a scheme would significantly assist in achieving the local authority's objectives. Croydon should think again and come forward with proposals for a selective scheme, either covering no more than 20% of the borough, or with a properly evidenced case for including other selected areas where there are demonstrably problems which only licensing can tackle. And the fees should be at level which only covers the cost of administering the licensing, and does not raise money for other local authority duties.</p>	<p>The data providing evidence of a problem and how the council feels it can meet the conditions for licensing was provided in the documents and a link to the September 2019 housing condition report (Metastreet). Significant property hazards are determined at existing in 23.7% of PRS properties.</p> <p>All of the data used to quantify anti-social behaviour in the private rented sector came from recorded and investigated incidents received by the council in a four year period from April 2015. Other teams investigated ASB but this data was not included because links with PSH could not be clearly made. The ASB data used in this report underestimates actual reported problems.</p> <p>11 of the 28 wards have a deprivation score putting the ward in at least the worst 30-40% of wards across the whole country. This figure increases to 14 when you use the 50% percentile. (report page 40)</p> <p>The council is looking at improving the recording of data under the new scheme so that it can better demonstrate the good work completed and how it is progressing towards achieving the schemes objectives.</p> <p>The fees have been calculated to cover the cost of operating the scheme.</p>
<p><u>Including other sectors</u> The scheme does not apply at all in the social housing sector and at least a proportion of anti-social behaviour must surely come from this sector. If anti-social behaviour is not equally addressed in these areas, how can the scheme be designed for the benefit of tenants?</p>	<p>The data provided included a table comparing the level of ASB in the social housing sector. This was on page 27. Incident numbers were lower but higher per 1,000 dwellings. The Pollution, ASB team and Neighbourhood Safety Officers deal with complaints regardless of tenure.</p>
<p><u>council properties.</u> The landlord says that the statistics quoted in the consultation document are “<i>vague and generic and read like an attempt to justify a pointless tax</i>”. They particularly cite the lack of information around hazards, poor conditions and ASB around council properties for the purposes of comparison to private lets.</p>	<p>The report does not include the number of social housing dwellings that have a significant hazard.</p> <p>It is recorded that over 99% of Croydon council premises meet the decent homes standard.</p> <p>ASB in the social sector is recorded.</p>
<p>There were no statistics cited around hazards/poor conditions/anti-social behaviour around council properties for the</p>	

<p>purposes of comparison to private lets and what the plan of action is to address the council property issues.</p>	
<p><u>A commitment to inspect all properties</u> The council should commit to inspect every property at least once. We would ask the council to publish clear service standards setting out the timescale for processing and approving licence applications and to publish regular updates so that performance in this area can be monitored. In other boroughs, we regularly see licence approvals taking six months or more due to a backlog of work and inadequate resourcing.</p>	<p>The council will need to decide its approach with the new scheme. There will not be a commitment to inspect all dwellings but there will be a clear set of objectives relating to the three conditions; property condition, ASB and deprivation. The scheme will proceed with interventions (inspections and desk audits) prioritised to meet the stated objectives keeping the existing commitment to inspect all licensed addresses on request and to respond to requests for service from the public.</p>
<p>And that the council commit to inspecting all PRS properties in the borough with the lifetime of the proposed scheme given that <i>“vulnerable tenants tend to be provided with properties where criminal landlords operate underneath the licensing regime”</i>.</p>	<p>The council has proposed an objective to identify all unlicensed premises. This will include premises not licensed under CPRPL 2015. When applications arrive for a dwelling not licensed under the then previous scheme a decision whether to inspect will be made.</p>
<p>If properties are to be inspected as part of the licence application process, it is vital that the council has sufficient officers available to conduct any inspections in a timely manner so that licence approvals are not unduly delayed.</p>	<p>During the current scheme there has always been a delay between receipt of the application and the processing of the licence. A landlord’s responsibility has been met when the application has been duly made and then the council is required to process the application within a reasonable time period.</p>
<p>The council should schedule inspections every so often and possibly prosecute landlords that are not adhering to standards after warning.</p>	<p>If there is a concern about a property the council has the opportunity to issue a one year licence which it has proposed a clear fee structure for.</p> <p>The council will take on suitably qualified staff to enable it to meet the various objectives that it is setting. The proposed objectives include preventing recurring issues.</p>
<p><u>Property inspection prior to rental</u> If the council wishes to improve rental accommodation, they should inspect each property before the tenant takes up occupation which would put landlords in a position to improve the property before rental. As the majority of tenants do not stay for 5 years.</p>	<p>Whilst this is a good idea the scheme is legally unable to be set up to achieve this. Under licensing criteria, a property inspection need not occur prior to an application being granted nor prior to a new tenancy being created (even in the circumstance a licence has already been issued). The council will look to advise landlords about their obligations under the</p>



	various pieces of legislation.
Have some process in place that landlords need to get the property check over by an independent organisation before they can rent the property.	The option exists for a landlord to ask an independent organisation (e.g. letting agent) to inspect their rental address prior to letting. If this was a licence condition it would be deemed too onerous. The conditions require the landlord to complete 6 monthly inspections. This is more frequent but the scheme allows the landlord to do this with the option for employing someone independent if they prefer.
<u>Priorities for the council – tenant behaviour</u> The council really needs to clean up the bottom end problem which would result in greatly improving the calibre of residents in the local area which would lead to better rental market, economy and neighbourhood. Currently there is no governance for the tenants, their behaviour and irresponsibility. This is not attractive to Landlords.	The council sees licensing as the tool to improve the bottom and more unregulated end of the market. Croydon wants to make the Borough a Better Place To Rent so all residents, of whatever background, can find desirable, safe accommodation. Licensing conditions require a landlord; to obtain references prior to letting, to inspect their rental property, to be actively involved in letting and to respond appropriately to all complaints. The council will look to better promote its services as part of supporting landlords with problems as they arise.
<u>General Economy</u> You also talk about the general economy in your report and state that somehow the licensing scheme will have positive effect on that. I am genuinely confused as to how you believe this could magically happen?	In the consultation the phrase said “The private rented sector is hugely important to our borough, providing local people with decent, flexible accommodation and vital support for our local economy”. As well as being a place of work the licensing scheme wants to look to improve property standards and management so that renting is a viable option for the many people who may want to move into the Borough to live and/ or work. Croydon is the second most populous Borough in London after Barnet (ONS 2018).
Perhaps the council needs to look at other social and economic factors linking poverty and poor living conditions rather than targeting private landlords indiscriminately as a source of income.	As part of the proposed CPRPL 2020 Croydon has included the condition – deprivation. The council wants to maximise its outputs under the Make Every Contact Count (MECC) programme run by Public Health England and initiatives such as Healthy Homes and the Just Be. [www.croydon.gov.uk]
Need to regulate Air BnBs too. Ensure there is improved education, health, policing provision to meet the needs of expanding population of Croydon, continued joint agency working. Ensure everyone who should be is paying council	Air BnBs do not come under the provisions of the Housing Act 2004 and the licensing scheme.  As part of the case for licensing and improving the deal for landlords and tenants

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<p>tax. Lot more rental properties being built in Croydon but development of shopping centre appears to be in limbo, affecting jobs and investment. Croydon is currently a mess, empty shops etc. Croydon has low earnings substantial proportion of gross incomes goes on rent leaving little left for living costs. Improve prospects of better paid employment in Croydon. License details of all rented properties to be kept on a public register which allows tenants and neighbours to access information e.g. details of landlord you can contact in the event of noise, antisocial behaviour.</p>	<p>it was recorded that Croydon faces significant challenges relating to Barriers to Housing and Services (one of the seven deprivation indices). In Croydon all 28 wards are worse than the National average (21.6). The barriers to housing domain include indicators such as; overcrowding, homelessness and housing affordability.</p> <p>The council has a register of all licensed dwellings. Additionally, the licence conditions requires the licence holder to provide the tenant with an emergency phone number and contact address under the terms of agreement.</p>
<p>Croydon could become a leader in starting to look at longer term lets, in an effort to bring greater security to tenants and with this encourage landlords to look after properties better, so that people are happier, more settled and less likely to cause ASB. The cycle of feeling they have to move on helping here also and issues with arrears and evictions would decrease. This in turn then helps with pressure on council services dealing with homelessness and housing need.</p>	<p>Security of tenure is a significant factor in private renting with the assured shorthold tenancy have a secure period of a minimum of six months. The use of longer tenancies is possible with an AST and maybe the designation period being five years may encourage longer fixed term periods for good tenants. Croydon has the sixth highest level of possession orders across London (Ministry of Justice 2017/18).</p>
<p><u>Role for multi-agency work</u> Requests further information about the consultation document's reference to multi-agency projects.</p>	<p>Effective licensing schemes see licensing placed at the centre of council operations. Multi-agency projects saw the licensing team active with the Council's Joint Action Group (JAG). Membership: Metropolitan Police, Youth Engagement Team, Anti-Social Behaviour Team, Community Safety Violence Reduction Network (Gangs / Intelligence), Neighbourhood Safety, CCTV &amp; Intelligence, Rail Enforcement, Immigration, Youth Service, Neighbourhood Watch, Wider Licensing, Tenancy and Caretaking Services, Trading Standards and Fair Access.</p>
<p><u>Fuel poverty</u> Questions what fuel poverty has got to do with landlords – as well as how the scheme will 'help focus' on the climate emergency.</p>	<p>Croydon is in the top third of London Boroughs for residents at risk of fuel poverty (BEIS Scoring 2016). Fuel poverty is where a member of a household is living on a lower income in a home which cannot be kept warm at reasonable cost. Landlords can help with providing; homes that are energy efficient and meet the minimum energy efficiency standard (MEES), instructions on heating and controls and in assisting tenants with minimising energy</p>
<p>You also talk about fuel poverty, again what has this got to do with landlords? Would you like us to pay the tenants' utilities as well as our own?</p>	<p>Landlords can help with providing; homes that are energy efficient and meet the minimum energy efficiency standard (MEES), instructions on heating and controls and in assisting tenants with minimising energy</p>

	and signing up to cheaper rates. The Energy Saving Trust (EST) see it as the Governments ambition for MEES to be D rating in 2025 (Minimum Energy Efficiency Standard). 50% of tenants living in Band F or G properties are in fuel poverty ( <a href="#">EST</a> ). 27% of PRS Croydon properties have an E, F or G rating. 5.5% (3,222) PRS properties have an F or G rating. (Metastreet)
<p><u>Transparency</u> We believe there should be a bi-annual report on the progress made as a result of the funding raised by the license fees</p>	<p>The council has set some clear objectives as part of this proposed scheme. The aim is that these objectives will be used as part of determining the progress that the council has made.</p> <p>The performance under CPRPL 2015 is reported at landlord's forums and the intention would be to continue to use this meeting as a way of updating landlords. The slides are then uploaded onto the council website: <a href="#">landlord forums</a>.</p>
<p>Croydon council failed to articulate its goals at the introduction of the scheme in 2015, so can't be held to account.</p>	
<p>The council should consider if the scheme is approved providing an annual summary of outcomes to demonstrate to both tenants and landlords' improvements of behaviour and the impact of licensing on the designated area over the lifetime of the scheme. This would improve transparency overall.</p>	
<p><u>Non-executive committee</u> Our suggestion is a non-executive committee made up of volunteer landlords who would create a two way dialogue with the council. It can sometimes seem that there is cost pushed onto landlords to punish them rather than addressing the social issues that poor quality housing can create. This creates a combative stance between the council and landlords. I am a strong believer in punishing bad landlords but that good landlords should be supported. I believe a non-executive committee of landlords would help a stronger collaboration between landlords and the council and make a genuine difference to the sector.</p>	<p>The scheme could benefit from a constructive dialogue with landlords, agents, associations and other parties involved with letting and directly impacted on by the property licensing scheme. The approach to achieving this can be considered at such time a new scheme is confirmed for the borough. The consultation has seen a small number of landlords volunteer to support the scheme and improve its effectiveness.</p>
<p><u>Managing the income from selective licensing</u> Moreover, if the scheme is renewed, they suggest developing a <i>"proposed budget on how the licensing monies raised are going to be spent so there is a basis to review actual expenses and be accountable for any deviations"</i>.</p>	<p>Income generated from the selective licensing is ring fenced and by law it must be spent on administering and implementing the licensing scheme. In preparing the scheme an income is projected and this needs to be compared with a projected expenditure. In determining the income the number of landlords paying either of the £350 or £750 fee needs assessing. There is obviously a significant difference to income projections</p>



	where the smaller fee is paid more frequently. The council takes the view that the scheme needs to be self-financing.
Additional income the perceived lack of explanation regarding the way that the “ <i>unexpected bonus</i> ” from the larger than anticipated number of applications under CPRPL 2015 had been spent, stating that, “ <i>As the law says the scheme can only use funds for running the scheme, this windfall should be used to reduce the fees to compliant landlords</i> ”.	The estimated income from the current scheme was set at £15.3M. This was explained in the CPRPL 2015 <a href="#">Croydon Private Rented Property Licensing Guide</a> (including conditions). This was based on 75% of applicants receiving the reduced fee. Income and expenditure has been covered at forums.
Are there any statistics available about how Croydon has fared during the last 5 years ... is this a cost-effective, worthwhile thing for the council to pursue again?	The council believes that this scheme has been a success but it also recognises that it can do more. A new scheme is also about continuing the good work and achieving further improvements in the private rented sector. Designation area B sees the continued focus on anti-social behaviour with designation area A proposed to achieve improvements in property condition
The main rationale for current scheme was to tackle ASB and it was applied as a blanket to all boroughs. Looking at the finances, only 11% of licencing fee raised went towards tackling ASB. Total raised from licencing was £12.5 million. To date, £1.4 million was allocated to ASB and noise team. It does not give me comfort that my money was spent efficiently and towards the main objective of the licencing.	The budget released until the end of March 2019 showed that £4.6M was spent on licencing, £2.06M on enforcement, £1.41M on ASB and Noise and 0.55M on Fraud/ C Tax, Housing Benefit and Tenancy Officer. The monies spent were £11.01M with income at £12.5M. In many cases there is a need for cross council work so the licencing activity cannot be purely seen as within the work of the ASB team.
<u>Holding an independent audit.</u> Audit - to have the finances independently audited by an accounting firm which should be less than 1% of monies raised. As a former auditor, the benefit is that it gives the licence holders comfort their money is spent efficiently. More importantly, auditors (given their experience across the industry) can also provide suggestions on improvements to systems and processes which in turn can benefit the council.	The council’s finances are subject to audit by an external independent auditor every year and selective licencing income forms part of that.
<u>ASB incidents over last 4 years</u> The report references 7,285 ASB incidents over the last four years but provides no annual breakdown to assess trends, and no assessment against the 2015 baseline data to show how effective the current scheme has been in reducing levels of ASB.	In 2015 the current selective licencing scheme was introduced to help tackle the poorly managed private rented housing that was having an impact on Croydon’s neighbourhoods. ASB is wide with noise, fly tipping, rubbish accumulations, an individual’s behaviour, bonfires and drug or alcohol associated problems. Landlords were being asked to deal with some of the issues arising from their rented properties.
The landlord is concerned that looking at the evidence of ASB is anecdotal and not statistically justified – especially given social	

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<p>housing and registered providers are not properly considered.</p>	<p>When the scheme was introduced it formed part of the council initiative 'Don't mess with Croydon'. This built on the coordinated approach taken by existing enforcement and other environmental nuisance through the Safer Croydon Partnership. Data provided looked at the high number of offences reported both to the police and authority.</p>
<p>The landlord suggests that the council "conveniently" blends together proactive inspections and those of complaints in relation to ABS, so it is hard to know the relative breakdown: <i>"for all we know, proactive inspections account for 99% while only 1% is attributed to ABS"</i>. Moreover, it is said that <i>"there is ...no comparison of ABS stats to social housing and owner occupier housing, so no real perspective on the matter"</i>.</p>	<p>The data provided in the consultation report (page 28) looks at actual incidents that are reported to the anti-social behaviour, pollution and housing enforcement teams. The data compares the ASB incidents recorded and investigated in both the social sector and private rented housing sector over a four year period. 7,285 private rented addresses recorded at least one ASB incident; equivalent to 12.5% of the PRS stock. These are reactive requests for service and not proactive visits. In the PRS there were 15,746 ASB incidents at 268.8 incidents per 1000 households. In the social rented sector there were 10,797 incidents at 440.8 incidents per 1000 households. This has not been broken down on an annual basis.</p> <p>The 12,172 interventions in PRS properties over a 4-year period relates to the work of the Private Housing and Enforcement Teams, which was made up of proactive inspections and inspection after receiving a complaint.</p>
<p><u>Wider data sources</u> In relation to crime, it is said that laws and powers already exist to deal with these matters and that <i>"that is what is problematic with much of selective licensing"</i>. The landlord feels it places additional financial and administrative burdens onto good landlords, while criminal landlords continue to operate. Moreover, they say that if selective licensing has truly accomplished its goals, it is no longer required – and that if it hasn't, <i>"there is no rational/legal basis for it to continue"</i>. Ultimately, the landlord feels the scheme has <i>"never been about anything more than revenue raising"</i> and highlights the fact that</p>	<p>In the Selective Licensing of Houses (Additional Conditions) (England) Order 2015 a council can look to bring in a scheme where the condition relating to crime is met. Croydon Council would have had to demonstrate that the area suffers from high levels of crime and that that the criminal activity affects those living in the PRS and that licensing when combined with other measures will help reduce the problem in the area.</p> <p>The council is aware that Liverpool City Council and Brent Borough Council were unsuccessful at getting their schemes confirmed by the Secretary of State. The</p>

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<p>Liverpool and Brent councils have had their licensing renewals rejected <i>“because they are based on similar fiction that Croydon council is relying upon - some notion of law rental demand, and areas of deprivation”</i>.</p>	<p>decision was made to continue with this scheme because of the key role that licensing can play in making Croydon ‘A Better Place to Rent’.</p>
<p><u>Meeting legislative conditions.</u> The landlord goes on to question the validity of the rationale used by the council in their proposals, and that would be used in any subsequent application to introduce a new licensing scheme. In particular, the respondent challenges the basis for the council’s applications:</p> <p><u>Property condition</u> That the council’s own data, including the low number of prosecutions undertaken, was evidence that property condition is not a major factor in Croydon;</p> <p><u>Anti-social behaviour (ASB)</u> That not all wards in the borough have issues with ASB, so that borough-wide or extensive part-borough licensing cannot be justified;</p> <p><u>Deprivation</u> That not all wards in the borough are deprived; That some indices of deprivation are either irrelevant (e.g. distance to a Post Office), have been exacerbated by, <i>“over-regulation and taxation of the PRS”</i> which, <i>“forces landlords out of the market”</i> (e.g. homelessness) or are only relevant to HMOs (e.g. overcrowding); That Croydon is one of the cheapest London boroughs for rental accommodation; and That crime rates and the proportion of residents out-of-work and on benefits in Croydon are, <i>“about average for London”</i>, and that selective licensing, <i>“does not provide more income, better education, health or employment for residents”</i>.</p> <p><u>Low demand</u> That there is no evidence of low demand in Croydon (although it should be noted that low demand is not a basis for Croydon council’s proposed application).</p>	<p>The 2015 Order has widen the conditions that need to be met to allow a selective licensing scheme to be introduced.</p> <p><u>Property condition.</u> The number of prosecutions is low but the council has looked to work with many landlords to help improve property conditions. The licensing inspections found that 28% of premises needed enforcement action or licensing conditions compliance. This figure rose to 45% when inspections were more targeted post the 1<sup>st</sup> October 2017. 2,460 premises that licensed self-declared they were without fire precautions; 7% of the stock. 1,189 enforcement notices and 75 prohibition orders were served under part 1 of the 2004 Act and 110 cases were completed at the default of the owner (all notices).</p> <p><u>Anti-social behaviour (ASB)</u> The level of ASB does vary across wards. This is evident on Table 12 on page 32 with incidents per 1,000 properties. There is only 1 designation where ASB is the lead condition. This is for the 6 wards in the south of the Borough where the PRS is less but the number of ASB incidents is higher. Here 21% of PRS addresses have had an ASB incident and incidents stand at 422/1000 addresses.</p> <p><u>Deprivation.</u> There are 14 wards that are below average and 11 wards in the 4<sup>th</sup> percentile or lower. Some elements of deprivation are relevant and these are house condition, central heating, overcrowding, homelessness and air pollution.</p> <p><u>Low demand</u> This is not the basis for Croydon’s application and demand exists although affordability is an issue.</p>
<p><u>Evidence points to ASB hotspots</u> Diagram 15 on page 35 of the report highlights 13 ASB hotspots across the borough and 207 areas with much lower recorded levels of ASB. These 13 areas could be examined to identify any perceived</p>	<p>Diagram 15 has 13 ASB lower super output areas where the average level of ASB is 579 or higher incidents per 1,000 properties. The council can choose an ‘area’ (which is not defined) and has taken the LSOA approach with Option 1. LSOAs</p>

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<p>link to private rented homes, thereby forming the basis of a more compact, targeted and intelligence led scheme. The diagram does not support a contention that ASB is uniformly spread across the borough and justifies a blanket licensing scheme.</p>	<p>do not have regular boundaries and are difficult to enforce. Because of the high number of significant private rented property hazards the council has decided to make property conditions central to its approach. This supports a larger scheme</p>
<p><u>CPRPL 2020 will exacerbate the (private rental) housing shortage.</u> I understand the need to control rogue landlords but I think the councils approach will lead to private landlords selling up and making the housing shortage more acute in the Borough.</p>	<p>The council would not want landlords to sell up and move to another area. The private rented sector is estimated to have grown by 69% in the last 8 years and so the demand remains. [It grew by 69% from 2001 to 2011(census)]. It is hoped that licensing will improve the quality of the rental market and continue to make Croydon 'A Better Place to Rent'.</p>
<p><u>Effectiveness of licensing schemes.</u> There is little evidence that licensing schemes improve housing standards. The focus of staff becomes the processing and issue of licences, while prosecutions centre on whether a property is licensed or not, rather than improving management standards and property conditions.</p>	<p>Licensing schemes are an important tool in targeted enforcement enabling more effective enforcement. Licensing will be a part of the approach taken by Croydon when dealing with poor conditions. Time spent on administration will look to be minimised through investment in IT solutions for processing applications. The application is important because it assesses fitness of the proposed licence holder and the proposed management arrangements.</p>
<p>Notes that the proposed new scheme is intended to give landlords 'an additional tool to tackle problems associated with private renting', but that there are no specifics as to what the problems or tools are.</p>	<p>Page 11 of the licensing consultation document says: "The Housing Act 2004 introduced selective licensing to give local authorities an additional tool to tackle problems associated with private renting". The tool is; the ability to refuse or revoke an application, to ensure there is clarity over who is responsible for the conditions and to promote professional through the conditions. Not licensing a property is one of a range of <i>banning order</i> offences. Licensing also ensures the responsible person is known to the council.</p>
<p><u>New build properties.</u> "Why do new build properties require selective licensing when they already must conform to strict building criteria and with new blocks, there cannot be any evidence of ASB?"</p>	<p>A property that is newly built is not exempt if it is located in the licensing area. New build properties are not exempt from ASB. On occasions the densely constructed accommodation brings its own issues in addition to the tenants all being new and less tolerant initially.</p>
<p>Some of the new build to rents in Croydon are very poorly designed and creators of vast amounts of rubbish. They destroy quality of life for other people not to mention</p>	<p>The council sees the high and low rise as properties that need further inspections to ensure compliance from a fire safety and standards perspective. When newly</p>

the tenants who live on them.	converted these properties need hands on management to ensure they work well.
<p><u>Licensing for specific properties</u> I feel a licence should only be necessary for houses not compliant with building regulations. Or the licences should be renewed in line with building regulations policy - every 3 years. Not necessary to renew licences every year.</p> <p>Perhaps the licencing should only be necessary for houses where the owner does not live. If the owner is living in the property and has a lodger it's not necessary to have licence especially if the property is in good condition and fully compliant with building and fire code regulations.</p> <p>I feel its good thing to cut out the poor living standards within the borough but I don't think licencing is the most efficient way to do it. And the safety of living conditions is also important. I actually run an architecture company and would be happy to meet to discuss ideas related to this. And would be willing to consult for free to try and find a creative solution that works for everyone.</p>	<p>A licensing designation can be for up to five year as can a property licence. All properties within the designation area need to be licensed and compliance with the most recent Building Regulations does not offer an exemption.</p> <p>A property where a lodger is living is exempt from licensing. Exemptions are listed in this Order. The Selective Licensing of Houses (Specified Exemptions) (England) Order 2006.</p> <p>Where a new scheme were to be confirmed and the designation starts the council will consider its approach. A number of people (professionals included) have offered to support the scheme which is appreciated. The council wants to see the private rented sector fit for purpose where landlords and tenants all have the chance to enjoy good experiences. Licensing is a key part of the strategy and the additional income is very important at providing additional resources.</p>
<p><u>Landlords to be exempt where sound management exists.</u> We would suggest a restricted licence process based on: exempt if you provide evidence of a maintenance strategy exempt if you can provide evidence of undertaking repairs undertaken when requested by tenants exempt if you can provide evidence of quarterly inspections something along these lines will mean good smaller landlord are not penalised but poor and professional landlords are properly monitored.</p>	<p>A maintenance strategy would not entitle a landlord to a scheme exemption. The practices mentioned should be commended. If a new scheme starts prioritising enforcement will be an important part and the aim will be to identify for inspection those properties where good practice is not being observed.</p>
<p><u>Advantages to landlords for being licensed</u> I have an individual licence for 4 properties that I own in the borough of Croydon and have therefore paid several hundred pounds for these 4 licences, but there have been no benefits to me at all, not even a reduction in insurance premiums.</p>	<p>A number of landlords said that there has been no benefit to them. With a new scheme and where the partnership is strengthened the council will look to find ways of making all landlords feel they have had the opportunity to benefit.</p>
<p><u>Make full of existing powers.</u> Councils should fully use the enforcement powers already granted to them by the Housing and Planning Act 2016, ranging from civil penalties, rent repayment orders, banning orders and the introduction of a</p>	<p>Croydon Council adopted financial penalties in May 2017. The council has used FP to enforce against landlords who have not licensed following warnings. Licensing has an important part to play with the regulation of the private rented sector</p>

<p>database for rogue landlords and letting agents. This is instead of relying on licensing schemes to regulate landlords.</p>	<p>as it increases the responsibilities on landlords. In situations where conditions are not complied with, a FP can be issued.</p>
<p><u>Licensing as a last resort</u> Section 81 of the Housing Act 2004 says that selective licensing should only be used as a last resort if all other measures have failed, and only if it achieves objectives. Thus should be used as an option of last resort where the others have failed. The consultation shows other measures haven't been tried, only lip service given.</p>	<p>Councils' have been enforcing standards in private rented homes for many years. Prior to the 2004 Act the 1985 Housing Act allowed councils to service notices where properties were unfit for human habitation or in serious disrepair. This Act through Part 11 also allowed councils to introduce registration schemes (with or without control provisions) which required the owners of HMOs to register with the council. These schemes needed confirmation from the Secretary of State. Croydon Council has been involved with improving property standards for many years.</p>
<p>The landlord goes on to say that, <i>"just because a property has a licence, it doesn't mean it is safe to live in"</i>, suggesting that there is no point to selective licensing if the issuing of a licence by the council is not evidence the licensed properties are free of hazards and defects. They question the effectiveness of selective licensing given that, <i>"With 35,000 landlords now registered, if SL worked, the standards in the PRS would have risen significantly over the past 4.5 years and there would be no need to extend SL for a further 5 years"</i>.</p>	<p>Property standards have improved over the last 5 years of the current scheme with approximately 13,000 inspections, 1,189 enforcement notices (including 72 prohibition orders) resulting in the council completing the works in 110 addresses. But the point is correct that properties with a licence are not necessarily free from hazards and as safe as they can be for occupation. Occupied properties can fall into disrepair so licensing is important as it requires landlords to ensure safety at all times and complete an inspection every 6 months before undertaking repair works.</p>
<p>The landlord emphatically questions the need for a selective licensing generally, and in Croydon in particular, citing sources such as the English Housing Survey and the Rogue Landlords and Agents Database, as well as the London Borough of Croydon's consultation documents and forum presentations, as evidence that, <i>"selective licensing is a sledgehammer to crack a nut"</i>, and that, <i>"selective licensing has not been a key factor in enforcement action"</i> by the council.</p>	<p>As stated in the evidence pack produced for the consultation, the council has considered a number of other courses of action or alternatives to selective licensing, but having regard to the outcome of the consultation and data sets available do not believe that, individually or collectively, the alternatives provide an effective, or as effective a, means of tackling poor housing conditions and anti-social behaviour in the borough, or of delivering the scale of improvement that is needed in the PRS.</p>
<p>I look forward to your response and justification for this extended period to clear up rogue landlord issues, which can easily be dealt with under current legislation already available to yourselves. You don't need an expensive licence to achieve your goal of penalising rogue landlords, please stop penalising the good landlords before you end up alienating us all and we stop</p>	<p>Consideration has been given to a number of other courses of action or alternatives to selective licensing, but do not believe that they provide an effective, or as effective a, means of tackling ASB and poor housing conditions in the borough, or of delivering the scale of improvement that we believe is required in the PRS. Alternatives considered include the use of Part 1</p>

<p>providing accommodation altogether leaving you with an even bigger problem, no money and no housing!</p>	<p>Housing Act 2004 enforcement powers [HHSRS] and Public Health powers but these powers do not place any obligation on landlords to be proactive in improving conditions and formal action is generally a slow process</p>
<p>Section 80 6b also says it must be that private landlords are failing to take action about ASB. No evidence has been provided that private landlords are failing to take action. Given Croydon only issuing enforcement notices to 10% of inspections, means 90% of landlords are doing the right thing.</p>	<p>The data reported that there were 15,746 incidents of ASB reported and investigated at a rate of 269 incidents / 1,000 PRS addresses borough wide and split as 256/ 1000 PRS addresses in the northern 22 wards and 422/ 1,000 PRS addresses in the southern 6 wards. 7,285 PRS addresses were investigated meaning 8,461 were repeat incidents. The figures were an underestimate as the ASB reporting to the Metropolitan Police and Council's Neighbourhood Safety Officers were not included.</p>
<p><u>Alternatives to licensing – registration scheme</u> A landlord registration scheme could be introduced, which would be a much cheaper alternative, which means the council would be aware of all rented properties and could monitor any causing problems. This should be free to landlords to register and would not need costly monitoring by the council.</p>	<p>A registration scheme could only be introduced on a voluntary basis and for this reason it is not felt that it would achieve a successful outcome. A benefit of licensing is that the council has immediate access to the contact details of a responsible person. A registration scheme would achieve this but does not offer the additional statutory powers that come with licensing conditions and offences.</p>
<p>Have a register of landlords and ensure that they are accredited through one of the national landlord associations, e.g., NLA, RLA. Where appropriate use existing legislation (of which there is much) to take action against landlords.</p>	<p>This requires voluntary landlord engagement and rogue operators are unlikely to attend/engage. In Croydon there had been a 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 (London Property Licensing News)</p>
<p><u>Alternatives to licensing – tenant based licensing.</u> New scheme should work as follows: - tenants should register with the council - they should be surveyed on a number of criteria including the quality of the dwelling and interactions with the landlord - there should be a complaints / arbitration service offered by the council - problem landlords should then be subject to the licensing scheme at 1k GBP per year for a minimum of 2 years or until the issues raised by tenants have been fully resolved - the</p>	<p>There are no powers in the Housing Act 2004 to require a tenant to register with the council as part of a licensing scheme. The council would like all tenants to be aware of the scheme so that they understand their legal rights and know their responsibilities and where they can come to for assistance.</p> <p>The scheme looks to identify problems landlords and support them with advice or enforcement to improve the management at the property. The fee structure proposed is not feasible and a designation has only a</p>

<p>problem landlord will then be subject to the licensing scheme and regular inspections for another 5 years at 250GBP per year the aim of the scheme is to target problem landlords and not a blanket revenue grab on all.</p>	<p>life of up to five years. Whilst it seems fair to charge those landlords where the council spends more time, it is also acknowledged the landlord is not always at fault for the behaviour of the tenant.</p>
<p><u>Alternatives to licensing – unannounced compliance inspections</u> Hope there is an understanding for the costs already involved in being a landlord (increased taxes/upkeep &amp; maintenance/insurances/licenses). Rented properties often for providing/savings/pension purposes that are individual private landlords and already penalised with costs listed. Instead of the proposed scheme, set out an alternative that ensures best property standards are met through 'tick list' of requirements, e.g. make all landlords responsible for attending an accreditation course, unannounced property visits. The purpose of the scheme should be to protect tenants throughout the borough, rather than creating another financial scheme for the council.</p>	<p>There is an understanding of the wider costs for a landlord. The fee structure proposed has been given due consideration with CPRPL 2015 licensed and compliant landlords offered the opportunity to apply for the reduced fee. A number of other courses of action or alternatives to selective licensing have been considered , but do not believe that, individually or collectively, they provide an effective, or as effective a, means of tackling ASB and poor housing conditions in the borough, or of delivering the scale of improvement that we believe is required in the PRS. Unannounced visits will form part of the enforcement of the new scheme and accreditation will be encouraged as a way of improving the professionalism of landlords.</p>
<p><u>Supporting small landlords</u> At present the government is continuing a policy to actively reduce the number of small private landlords. The council neither opposes nor supports this policy yet the housing issues in Croydon are such that the council is reliant on, I imagine, the large number of small private landlords, say owning less than 5 units, continuing to provide housing to the rental sector. I believe that Croydon council should know which properties which are privately rented within the borough. I also believe that tenants should be able to whistle blow should their living conditions be unacceptable and where the landlord does nothing to redress a complaint. At present the scheme to me looks simply a cash raising operation for Croydon council loading responsibility onto the private landlord and for that we have to pay for a license fee per property.</p>	<p>Licensing has the advantage of providing the council with a list of addresses that are rented and who is responsible for the letting at the property. The council has a phone number and email address to allow tenants or other persons to raise concerns about renting or unlicensed addresses. These parts will all be included in the new scheme as well as other ways of advertising and increasing the awareness amongst tenants. The income from the licensing fees allows the council to take on additional resources to properly regulate the private rented sector and the range of problems it brings.</p>

**Area 2**

**Response to the Consultation – new scheme and application process**

<p><u>IT, data, applications and cost.</u> The respondent raises a number of concerns about the licence application process if a new scheme were to be introduced, including: The unnecessary waste of time and money if landlords who are already licensed have to go through a full application again; The length of time required for the council to process applications and the failures in planning and management if existing data cannot be migrated across to a new scheme; and The need for the council's existing IT system for PRS licensing needing to be replaced after only five years.</p>	<p>The council has used a CRM (customer relationship management) system to hold the landlord licensing information. Applications have been set up using myAccount. A new system will be introduced for the new scheme that will improve the experience for landlords and the council alike. This should increase efficiencies and save money. There is likely to be a large number of applications made to the council in the first few months; up to 39,000 landlords are licensed with CPRPL 2015. The council will need to work its way through these applications and this will cause an initial time delay.</p>
<p><u>Unfairness within the current Licensing terms</u> At present we are unable to obtain exemptions for any PLA properties let to the Borough of Croydon under the current framework. As we understand it only HA's and RSL's have entitlement to do so. The properties we procure from the private sector for use as temporary accommodation meet the same requirements as those procured by a not-for-profit provider and are fully managed to meet not only our own high standards but also those stipulated within the PLA framework. It would therefore be deemed a much fairer and sensible approach that ALL PLA/TA units be exempt from licensing rather than the type of provider forming the basis of this decision.</p>	<p>If a scheme is agreed, the council will be following the national licensing exemptions, as set out in the consultation documents and section 79 of the Housing Act 2004. Section 79(3) says that a tenancy or licence is an exempt tenancy or licence if it is granted by a body which is registered as a social landlord under Part 1 of the Housing Act 1996. (c. 52). Consideration is needed on the person responsible for granting the tenancy. Properties let under the <a href="#">Croylease</a> scheme are exempt because the property is on a lease to the council who finds the tenant and is the party on the tenancy.</p> <p>With some of the schemes run by the council it does complete surveys which helps with improving property standards. Not all properties let 'through' the council are exempt as the council has a variety of schemes. Sometimes these are just tenant finder schemes with the owner retaining management responsibilities.</p>
<p>I believe that if a landlord rents property to the council they should be exempt as the council ensures that the property is suitable and in good condition prior to signing up the landlord.</p>	<p>Not all properties let 'through' the council are exempt as the council has a variety of schemes. Sometimes these are just tenant finder schemes with the owner retaining management responsibilities.</p>
<p><u>Terms and conditions at application stage</u> "Why are the T&amp;Cs of the licence not provided at the time of application so that an applicant understands, in advance, exactly what will be expected of them?"</p>	<p>The terms and conditions are available on the Croydon website. They are contained within the <a href="#">Private Rented Property Licensing Guide for Rented Properties in Croydon</a>. Appendix 2 are the conditions.</p>
<p><u>Form to complete to allow clear identification of exempt properties.</u> To manage those situations where an exemption is permitted such as where</p>	<p>This is a useful idea and it is proposed to have it (or one similar) available on the Croydon website as part of the process where a landlord can claim and provide</p>

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<p>properties are ‘...managed/controlled by either the local Housing/Health/Police/Fire Authority’. A form has been introduced to allow better processing. The form plus a copy of the licence/management agreement is used as evidence of the arrangement in place.</p>	<p>evidence a property is exempt from licensing.</p>
<p><u>Multi-let property applications</u> Can you clarify our position with regard to our sole multi flat property in Addiscombe Road. This is a detached building of 3 stories, split into 4 flats; all self-contained and all accessed from a common hall/stairway. Each flat is let to a single tenant under ASTA.</p>	<p>A landlord who owns the freehold of the property and has ownership and full control over all the self-contained flats in the property will be able to make an application for a multi-let property licence. The fee will be determined by totalling up the number of dwellings / flats. An application will have to note the restrictions and risk that this licence can place on the licence holder when it comes to flat sale, new works or conversions. The conditions for multi-let property licenses place wider responsibilities on the licence holder (responsible person) with regard to the common ways when considering ASB, fire safety and waste management.</p>
<p><u>Licence fee is set per property</u> I have no issue with the landlord licencing but it makes no sense why the licence fee is per property? If your testing if Landlords are fit for purpose why are you licencing per property? One licence should be based on the landlord.</p>	<p>The Housing Act 2004 creates the rules and section 79 provides for houses to be licensed. A house that is licensed needs to have a licence holder who takes responsibility for letting, management and then compliance with the conditions. There is a competency assessment that considers property management arrangements and whether the licence holder is a fit and proper person. This assessment needs repeating for each application.</p>
<p><u>Fees for inspecting properties</u> I consider a more reactive measure, such as an inspection fee would be a fairer system that will not punish the good landlords. Charge a £100 fee for an inspection every five years. Where there are defects, the landlord will have to pay for an additional inspection and therefore an additional fee. This would transfer the cost from the good landlords to the bad landlords, and reduce the pressure to raise rents.</p>	<p>There is no capacity within the Housing Act 2004 to charge a fee for an inspection only. The costs of operating a licensing scheme can be levied in the licence fee where an inspection fee can be incorporated in either the part A or Part B fee. The fee structure is explained in the <a href="#">Private Rented Property Licensing Guide for Rented Properties in Croydon</a>. If a new scheme is not introduced the council could consider this discretionary approach but it is unlikely that the owners of the houses in need of a visit would make an approach and pay the fee.</p>
<p><u>High cost of licensing fee.</u> Would it be possible to understand the reason for the high cost (doubling initial fee) of renewal? It appears expensive and it is unclear why, where the money goes, or</p>	<p>The proposed fee to licence a property is set at £750 (standard) or £350 (reduced). A reduced fee is available for landlords of properties that are licensed under this scheme and where there is no change in</p>

indeed the benefits.	circumstances. There is no doubling of the initial fee as the standard fee remains at £750. The council has used the regular landlord forum meetings to summarise where funds have gone.
<p>I would like to propose that any landlord who has had no issue whatsoever for the 5 year period during the landlord licence implementation should not be required to renew the licence for the following reasons:</p> <p>1) The initiative is to prevent rogue landlords - if after 5 years there has been no issue, this would indicate a good landlord so why keep penalising landlords financially to the tune of the licence fee? The Rehabilitation of Offenders Act 1974 requires less "time spent" than your licence proposal?</p> <p>2) The licence fee is simply passed on to residents making the current perfectly suitable accommodation more expensive, I am unsure how this protects tenants in well run properties?</p>	<p>The need to apply for a licence is not deemed a penalty by the council. A licence is granted for up to five years. It is recognised that 'time spent', in relation to a conviction from a Housing Act 2004 offence, under the Rehabilitation of Offenders framework, is less. All landlords of properties within the designation area will need to renew their licence.</p> <p>The private rented market in Croydon is very buoyant and the council does not want affordability to exclude tenants. There has not been evidence of licensing causing an above market increase in rents. Every landlord makes his or her own decision in relation to rent increases.</p>
<p>Whilst I agree with the scheme in general I should like to make you aware of MY STRONG OBJECTION to the new scheme including properties which have already passed an inspection to a good standard. To do so penalises good landlords and adds an unnecessary burden to their costs and to your workload.</p>	<p>The evidence base identifies that a significant number of private rented properties need an inspection. The council is setting challenging objectives for the proposed scheme to try and make a difference to the problems identified. Whilst a property may have been inspected under CPRPL 2015, properties can still fall into disrepair and management standards can drop. A more rigorous auditing of conditions and inspections is proposed.</p>
<p><u>Licenses of less than 5 years</u> "Why is there no pro-rata refund if a landlord sells, as there is no on-going cost to the council for management or enforcement?" "Why can landlords not pay in instalments over the life of the licence, or at least 1 year?"</p>	<p>The fee structure calculated looks at the licence being granted for up to a five year period. The Part A fee covers the work with the application process. The Part B fee covers the costs of administering and enforcing the designation. With 40,000 licence applications due, the council is looking to minimise administration costs. Allowing a payment in instalments will not achieve this and over 75% of landlords will be eligible for a Part B fee which is low at £164.50.</p>
<p>As a tenant the current scheme has a negative impact on me, because my landlord lives overseas and therefore compliance, visits, and paperwork all fall on my shoulders. That said HMO landlords in my area behave appallingly and I sit and</p>	<p>With CPRPL 2020 it is proposed that where a landlord lives outside the British Isles he or she appoints a local regulated property agent to take responsibility for the management and to confirm acceptance through signing the Declaration of</p>

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<p>watch as the buildings fall into disrepair, literal garbage dump form around the bin areas, and landlords continually fly tip the contents of empty flats on to the street leaving the council to clear up the mess. Licencing scheme is a good idea, but if we can't actually enforce it, chronic ASB goes unpunished, and the weight falls on the tenant not the landlord, then what are we really achieving?</p>	<p>Management agreement. The council has a confidential phone and visiting service to help anyone effected by property condition or management in the private rented sector.</p> <p>The new scheme will focus on property condition and anti-social behaviour in the private rented sector.</p>
<p><u>Licence Holder – owner or agent?</u> It was near impossible to get hold of the council about my licence, i had a terrible agent and couldn't get out of it because you issued the licence to the bloody agent! I'm the owner of the flat not the agent. I saw no benefit for the licence, cost me plenty, kept with stuck with the crap agent, there are some terrible agents out there!</p>	<p>The council looks for the owner to decide who should be the licence holder. This can be something that has been agreed in a contract between parties. Choosing an agent is an important decision and the council will look to provide help and support through advice and literature with the new scheme. There are letting agent accreditation schemes such as ARLA Propertymark and safeagent.</p>

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Area 3

**Response to the Consultation – CPRPL Proposed Licensing Conditions**

Consultation response	council response to point
<p><u>Conditions should not discriminate and should be adopted flexibly</u></p> <p>Crisis is, though, concerned that the mandatory condition for licence holders to secure references for each tenant could act as a barrier for more vulnerable tenant groups, especially those moving out of homelessness where references may be impossible to obtain. There is worry that this condition, if not supported with some guidance and flexibility, could exacerbate homelessness in the borough.</p> <p>Overall, while Crisis supports the principle of borough-wide licensing, it is mindful that some conditions could lead landlords to discriminate against more vulnerable tenant groups. Adequate guidance, flexibility and support should, it is said, be available to overcome that.</p>	<p>The council does not want the conditions to allow, directly or indirectly, the discrimination against any tenants. Referencing is a mandatory condition. It is also an important part of pre-tenancy checks to allow the landlord some peace of mind about the new tenant they are entering into an agreement with. The part played by referencing needs to be strengthened and the council will consider how this is best achieved in the new scheme so that referencing continues to remain a useful tool and that landlords do not unintentionally breach this (or any) of the licencing conditions.</p>
<p><u>Conditions must be reasonable.</u></p> <p>In relation to the conditions these seem to go beyond your legal rights and i suspect could be challenged at tribunal so i would advise the council gets legal advice on this to prevent successful challenges. I and other landlords feel it is important a stand is made if the requirements do prove unreasonable so it is likely that challenges will be made.</p>	<p>The council looks for the conditions to be reasonable and to improve the professionalism of all landlords. As part of the work on the new scheme the paperwork and detail will be read by the council's legal services team to try and ensure that it complies with the legislation.</p>
<p><u>Deadline for conditions – 14 days</u></p> <p>“As the council insists that we agree to supply any documentation they request within 14 days, can the council please agree to reply to licence holders within 14 days, including the issuing of licences?”</p>	<p>The council believes that a 14 day response time is reasonable for landlords in which to return information. The council should respond to people within 14 days if an email is sent in, for example. It will be impossible for the council to issue the licence within 14 days because it has a process to follow that must allow representations. On completion of an application a landlord should get an automatic acknowledgement email.</p>
<p><u>CPRPL 2020 Condition 1.0.5</u></p> <p>Asking landlords to supply details of tenancy agreements with their licence applications makes no sense, as tenants would have to be found prior to the licence application taking place, as well as being in breach of GDPR;</p>	<p>If a landlord applies for a licence when the property is vacant, the landlord will not be able to supply a tenancy agreement. In the FAQ it says that the proposal is for a tenancy agreement to be provided where new application discount being applied for. The council will be asking for additional evidence with this scheme before a reduced fee is allowed for new applications.</p>

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<p><u>Proposed CPRPL 2020 Condition 1.4</u> Referencing is not a solution as it is thought of, as a landlord can provide a reference where no offence has been prosecuted and was/is simply an allegation. Although a mandatory condition of the 2004 Housing Act, with the proposed changes in section 21, this will mean that more people will not be able to access a property in Croydon.</p>	<p>For referencing to work landlords need to provide a true account of the tenant's actions. If section 21 is abolished and more tenants are evicted using section 8 powers it maybe that less tenants will leave with a reference or indeed a good reference. The importance of good behaviour needs to be continually explained to tenants so that they are not put at risk of not being able to take up new tenancies. Tenants will need to be aware that accepting a reference on termination of a tenancy is the norm.</p>
<p>That there are several practical concerns around supplying tenants references with licence applications, including not being able to contract tenants without a licence already in place, and GDPR breaches if sharing those references with the council. Furthermore, the landlord questions the legality of, for example, preventing first-time tenants or new arrivals from overseas from renting accommodation on the basis that they cannot provide references.</p>	<p>A landlord is not being asked to supply a reference with the licence application. A reference maybe requested with a licence compliance audit. It is not unusual for landlords to ask for references and so many prospective tenants need to be prepared for this. Options do exist as not all references need to have come from the landlord from a past tenancy, some tenants will be letting for the first time. All people will need to find homes to live in. If a new scheme is introduced officers will look to provide support, guidance and template references to assist landlords with this stage of a tenancy.</p>
<p>What about a tenant registry so that if a tenant has been evicted from a previous property the potential landlord could be informed? This might make some headway in convincing landlords that they matter too, which is not the real consensus at the moment.</p>	<p>The council will not be looking to set up a tenant registry and there is no statutory power. It is recognised that some tenants cause problems including at a significant cost to a landlord. A properly working reference process can help.</p>
<p><u>CPRPL 2020 Condition 1.5 (protecting deposits taken)</u> Rogue tenants cost landlords a lot more. You can fine landlords for disregarding adequate measures then why can you not penalise tenants. Taking 5/6 weeks of rent deposit and then the tenant does £20,000 worth of damage. Who covers the shortfall?</p>	<p>The Government has produced <a href="#">guidance</a> for landlords and letting agents on the Tenants Fees Act 2019. A refundable tenancy deposit is permitted but capped at no more than five weeks' rent where the annual rent is less than £50,000, or six weeks' rent where the total annual rent is £50,000 or above. A landlord should look to protect themselves against the risk in the unlikely event of extreme tenant damage.</p>
<p>Checking that the tenants' deposit is in a protection scheme, not held by the landlord only.</p>	<p>A landlord must put a deposit in a government-backed tenancy deposit scheme (TDP) where the home is rented on an assured shorthold tenancy that started after 6 April 2007. In England and Wales your deposit can be registered with:</p> <ol style="list-style-type: none"> <li>1. Deposit Protection Service</li> <li>2. MyDeposits - including deposits that</li> </ol>

	<p>were held by Capita; OR</p> <p>3. Tenancy Deposit Scheme</p> <p>The council looks for the following information to be supplied: the protection receipt and tenant prescribed information</p>
<p><u>CPRPL 2020 Condition 1.6 (property inspection and record keeping)</u></p> <p>It may help if the council produced a template property inspection form that landlords and agents could use to satisfy this condition.</p>	<p>The council would be happy to produce a template property inspection form that a landlord and agent could use. This form could be used to help meet proposed condition 1.6.</p>
<p>A more appropriate approach may be to require landlords to prepare a property management plan that is bespoke to their particular property. This will ensure more proportionate conditions depending on the number/type of properties being managed.</p>	<p>The conditions are not supposed to be overburdensome and landlords operate differently and in a way that best suits their circumstances. Again, the council would be happy to provide advice on a property management plan that can ensure efficient compliance with the conditions.</p>
<p>The amount of documentation involved is enormous. council should provide a full packet and information about service providers etc. For example, the 'licensed landlord help packet' should include all the forms such as basic template of 'declaration of management', information about electrical checks, fire alarm checks etc. There should be a checklist that landlord should go through.</p>	<p>The council would be happy to produce a template licensed landlord help pack that a landlord and agent could use. This pack could be used to help meet the various proposed conditions. A <a href="#">checklist</a> was produced for CPRPL 2015. With a new IT system it is hoped that there will be wider options to support landlords with compliance, including the uploading of documents.</p>
<p><u>CPRPL 2020 Condition 1.7: (licence holder to ensure property is not overcrowded)</u></p> <p>It is unclear how overcrowding is being defined for the purposes of this condition as the glossary refers to the Housing Act 1985 and also the proposed bedroom standard.</p>	<p>The primary means for assessing crowding is the proposed bedroom standard which forms the basis for the housing health and safety rating system assessment; Part 1 of the Housing Act 2004. The information in the glossary has been clarified. The council recognises the detrimental impact of crowding.</p>
<p>I believe there is a suggestion that landlords would be obliged to provide room measurements, which would mean intruding on the tenants to go and take these measurements. I think this condition should be removed.</p>	<p>A licence holder is recommended to take room measurements at the start of a tenancy to reduce claims of harassment or to take them during the 6 monthly inspection. Additionally, the 6 monthly inspections can be used to assess for overcrowding and allow appropriate action to be taken to reduce such an occurrence. The council would be happy to help with measuring either by email or during the inspection.</p>
<p><u>CPRPL 2020 Condition 2.0 (tenancy management arrangements)</u></p> <p>We would suggest the council publishes a framework tenancy management document that can be used to satisfy this condition.</p>	<p>The council is happy to assist licence holders with the a template document called "tenancy management arrangements"</p>



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<p><u>CPRPL 2020 Condition 2.1</u>  <u>Landlords responsibility to deal with ASB</u>          Landlords have very limited authority when dealing with matters related to antisocial behaviour, especially if it happens outside the curtilage of the property.</p>	<p>The conditions are looking for the landlords to monitor problems, act on complaints, keep records and work with the authorities when the ASB gets to a higher level. The focus is on ASB within the curtilage.</p>
<p>Landlords are usually not experienced in the management of antisocial behaviour and do not have the professional capacity to resolve tenants' mental health issues or drug and alcohol dependency. If a landlord ends the tenancy, the landlord will have dispatched their obligations under the selective licensing scheme, even if the tenant has any of the above issues. This moves the problems around Croydon, but does not actually help the tenant, who could become lost in the system. They will also blight another resident's life. There is no obligation within selective licensing for the landlord to resolve an allegation of antisocial behaviour. Rather, a landlord has a tenancy agreement with a tenant, and this is the only thing that the landlord can legally enforce.</p>	<p>If a licence holder is experiencing problems the council and other authorities will look to assist. Advice and orders can be given to a tenant but the tenant may ignore these. The ultimate sanction is to end the tenancy and if there is no behavioural change then the problem may just start elsewhere. There may be another causative factor at this address that is encouraging the poor behaviour and this needs to be identified.</p>
<p>That it may not be possible to enforce a requirement for licence holders to provide correspondence to the council if a neighbour or tenant has complained confidentially;          The landlord questions how 'telephone conversations' can be kept for the duration of the license (although it should be noted that the clause actually states that, "<i>notes following telephone conversations; related to conditions 2.1 (2.1.1 -2.1.6)</i>", should be kept by the licence holder or their agent.</p>	<p>The aim here is for proper record keeping to be kept to allow a thorough and balanced investigation of a complaint with a view to seeking a resolution. Any action through the Courts will need accurate record keeping as will the various authorities so that a proper investigation can occur. It might be that some information will not be relevant to an investigation and this can include some confidential information provided by tenants or neighbours.</p>
<p><u>CPRPL 2020 Condition 3.0</u>          That a licence holder cannot ensure that all gas installations and appliances are in safe condition at all times as, "<i>The law requires an annual Gas Safety Certificate and the licence requires a 6-monthly inspection. A licence holder is not able to ensure anything about the installations and appliances in between these events, except where a problem has been brought to the attention of the LL by the tenant.</i>";</p>	<p>The council would take a reasonable approach to enforcing this condition where the need were to arise. The council recommends that the tenant is aware of the different gas appliances in the property and given some basic information about 'danger signs' so that the tenant can identify an issue and report it at an early stage. A CO alarm can help alert a tenant to the build-up of CO [install in line with manufacturers' instructions].</p>
<p><u>CPRPL 2020 Condition 3.1.2</u>          That, in relation to licence holders ensuring regular testing of electrical appliances, "<i>there is no legal definition of "regularly"</i>,</p>	<p>The council produced an advice sheet in 2017 to assist licence holders. In this advice sheet it says: 'There are no specific timeframes for carrying out testing of</p>

<p><i>this cannot be a mandatory nor enforced condition.”;</i></p>	<p>electrical appliances. Good advice is to visually check all appliances every 12 months, PAT test portable appliances every 2 years and check and test fixed appliances 5 yearly’.</p>
<p><u>CPRPL 2020 Condition 3.1.3</u> That, in asserting that a portable appliance test (PAT) is effective way of identifying appliance defects, the council is providing, <i>“an editorial note or piece of advice, not a condition”</i>, and that the statement should be removed;</p>	<p>In the licensing conditions under paragraphs 3.1.3 it says ‘a portable appliance test is an effective way to identify appliance defects’. It is accepted that 3.1.3 is not a condition and it has been removed.</p>
<p><u>CPRPL 2020 Condition 3.2</u> That, <i>“As the landlord does not live in the property and only does 6 monthly inspections, it is not possible for a landlord to comply with a condition that states they are responsible that the furniture “must be kept in a safe condition””</i>.</p>	<p>The council would take a reasonable approach to enforcing this condition where the need were to arise. All furniture and furnishings that are provided in a rental property should comply with the Furniture and Furnishings (Fire Safety) Regulations 1988 (as amended). This condition relates to the supply by landlords of furniture and the need for it to comply; such items should display a permanent label.</p>
<p><u>CPRPL 2020 Conditions 3.3 – 3.6</u> <u>Tackling waste issues:</u> An issue for landlords is tackling waste left by tenants. Access to removing this will prevent conflict between parties.</p>	<p>This point is noted. The council is looking for tenants to take full responsibility for using the waste receptacles properly.</p>
<p>Local authorities with a large number of private rented sector properties need to consider a strategy for the collection of excess waste at the end of tenancies. We would be willing to work with the council to help develop such a strategy. An example is the Leeds Rental Standard, which works with landlords and landlord associations to resolve issues. This is where accredited landlords can access waste facilities or have a clear all waste on a number of occasions in a year.</p>	<p>The council provided a free large item collection for tenants during a 12 month period. If the tenant is looking to move planning may allow the service to be properly used and save the problem of excess waste at the end of tenancies. The council would be interested to hear about the Leeds Rental Standard and how it work with landlords and landlords associations.</p>
<p>In relation to the condition that licence holders must ensure regular checks take place to ensure that waste is not accumulating, that, <i>“Either there is an obligation [on licence holders] to inspect twice a year or the council should stipulate another, specific requirement. Unless rubbish dumping is brought to the attention of the landlord, they cannot be held accountable”</i>;</p>	<p>The council would take a reasonable approach to enforcing this condition where the need were to arise. The twice yearly condition, 1.6, is for an inspection. This includes an assessment of current waste and recycling operations. On occasions a licence holder may first become aware of waste accumulating following a complaint. If there are ongoing difficulties the checks, in condition 3.4 / 3.4.1, may need to be weekly to coincide with the waste collection cycles.</p>
<p>Needs to in include 'adequate central</p>	<p>Waste management is in because this is an</p>

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<p>heating and adequate supply of hot water'. I don't understand why waste management is specifically included but not adequate central heating and adequate supply of hot water. Also 'timely manner' is very vague. Needs to be time specific.</p>	<p>example of the anti-social behaviour that a property and neighbourhood suffers from. It is all down to day to day management. An assessment of the central heating and hot water systems would come under an inspection under Part 1 of the 2004 Act. If a property is a HMO (either mandatory or non-mandatory) it will need to comply with the HMO Management Regulations 2006.</p>
<p><u>CPRPL 2020 Condition 3.4 (regular checks to ensure garden is free from waste)</u> Given the requirement in condition 1.6 to carry out six monthly inspections, clarification is sought that six-monthly checks would also satisfy this condition, assuming no complaint had been received from the tenant to highlight a problem in the intervening period.</p>	<p>The council would take a reasonable approach to enforcing this condition where the need were to arise. The twice yearly condition, 1.6, is for an inspection. This includes an assessment of current waste and recycling operations. On occasions a licence holder may first become aware of waste accumulating following a complaint. If there are ongoing difficulties the checks, in condition 3.4 / 3.4.1, may need to be weekly to coincide with the waste collection cycles.</p>
<p><u>CPRPL 2020 Condition 3.6</u> <i>"It is not automatically the responsibility of the licence holder to deal with pest infestations, especially if the infestation is caused by the tenant's lifestyle."</i> Not all pest infestations are the responsibility of the landlord.</p>	<p>This is correct and condition 3.6.3 requires the licence holder to inform the tenant of any actions that the tenant needs to take with regards their responsibilities for dealing with pest infestations in line with tenancy agreements.</p>
<p><u>CO detection, ECIR and Gas safety.</u> The requirement for a CO detector should be in any room with a gas burning appliance not just a solid fuel burning appliance. Also a 5 yearly EICR (for all properties not just HMO's) and annual gas safety cert should be required by the licence for provision to the local authority on request.</p>	<p>The council cannot require a CO alarm in any room or a room with a gas burning appliance, although this is strongly recommended. In the new designation increased compliance checks will be undertaken by a paper audit. The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 were made by Parliament on March 18 2020. Over 2 years, the regulations will require landlords of all private tenancies in England to ensure that electrical installations are inspected and tested by a qualified person before the tenancy begins. The landlord will then need to ensure that the installation is inspected and tested at least every five years. The proposed conditions have been changed to reflect this draft new legislation.</p>
<p><u>CPRPL 2020 Condition 4.3 (written declaration of fire safety procedure)</u> Condition 4.3: Similar to condition 1.6, we would suggest the council publish an appropriate fire safety procedure that can be used to satisfy this condition.</p>	<p>The council would be happy to produce a template property fire safety procedure that a landlord and agent could use. This form could be used to help meet proposed condition 4.3 in line with a brief explanation of what is meant by 'fully briefed'.</p>

<p><u>CPRPL 2020 Condition 4.3</u> <i>“What constitutes “fully briefed” with regard to actions in the event of a fire?”</i></p>	<p>Finding a fire has broken out in your property is likely to be extremely stressful and tenants can behave uncharacteristically. The aim is that tenants are given clear instructions of what to do in case of fire so that it is assigned to memory or information is available at the time. This can cover fire risk behaviours (prevention), sources of fire, existing fire precautions, early warning, means of escape, calling for help, dealing with others at risk, fighting fire, instructing the emergency services and making oneself safe. It can be verbal, written or diagrammatic. It must be clear, easy to understand and if written to be readily available.</p>
<p><u>CPRPL 2020 Condition 4</u> <i>That, “Landlords are responsible for the installation and testing of fire, smoke and CO alarms at the start of the tenancy”, and that, “these can only be checked by a landlord on the 6-monthly inspection so [licence holders] cannot be held responsible for maintaining them.”;</i> That, in regularly checking the working order of smoke alarms/fire detection systems, <i>“landlords can only check the working order of the alarms bi-annually, unless this is what the council classifies as ‘regularly’”;</i></p>	<p>Condition 4.1.4 requires the licence holder to test any CO and/ or smoke alarm within the property on uptake of a new tenancy in addition to the 6 monthly inspection. If the alarm is not working then a new CO and /or smoke alarm must be installed. There are a number of standards that need to be met for the various alarm/ fire protection systems. BS 5839-6: 2019 (BS 5839: Pt.6) is the code of practice for the planning, design, installation, commissioning and maintenance of fire detection in domestic premises. Under Article 17 of the Regulatory Reform (Fire Safety) Order 2005, the premises and any facilities, equipment and devices provided in respect of the premises under this Order or, subject to paragraph (6), under any other enactment, including any enactment repealed or revoked by this Order, are subject to a suitable system of maintenance and are maintained in an efficient state, in efficient working order and in good repair. The inspection frequencies will vary and can be more often than 6 monthly. Other enactments and standards prescribe inspection frequencies and the council can assist with advice.</p>
<p><u>CPRPL 2020 Condition 4.1.2 (regular checks to ensure working condition of smoke alarm)</u> Given the requirement in condition 1.6 to carry out six monthly inspections, clarification is sought that six-monthly checks would also satisfy this condition for checking smoke alarms are in good working order in a single family let. It is acknowledged more frequent testing may be required in HMOs.</p>	
<p><u>CPRPL 2020 Condition 4.1.5 (for multi-let property licences).</u> For the purposes of this condition, it would be helpful to clarify that ‘Multi-Let’ Property licences are referring to a selective licence for a block of flats and that this is not referring to all selective licences granted for HMOs as not all such properties fall within</p>	<p>A multi-let property referred to in this consultation is a property made up of more than one self-contained house/ flat. A property can also be a section 257 house in multiple occupation which is created through conversion of a property into three or more self-contained units. Properties with domestic accommodation and common</p>

<p>the remit for the fire safety order.</p>	<p>areas will fall under the remit of the Regulatory Reform (Fire Safety) Order 2005. Other Housing laws also apply. The council will ensure clarity is provided within its documentation.</p>
<p><u>CPRPL 2020 Condition 5.1: (information in relation to occupancy of the house)</u> In relation to condition 5.1.2, if information is required on room sizes, we would suggest this is included on the licence application form rather than within 14 days of a request once the licence has been approved. Secondly, if the property is let to a single family, a landlord or agent could only provide information about the family members authorised to live there. The landlord or agent would have no knowledge or control about how bedrooms are allocated between those family members once the tenancy has started.</p>	<p>The council will look to require a level of information about rooms and sizes on the application form. It still may require the information within a 14 day period and where there are difficulties the licence holder or agent should contact the council. The council understands that families may occupy a dwelling in a different way to that 'predicted' at the start of the tenancy.</p>
<p>That the condition that a licence holder should, if required, provide the council with the names, sexes and ages of occupants of their properties, "<i>breaches GDPR and is intrusive</i>".</p>	<p>The need for information about occupancy relates to the need to ensure a property is not overcrowded and that the number of people living in the property does not go below minimum standards.</p>
<p>Other: requiring the licence holder to provide the council with information on the occupants of the property. If this were to be a prerequisite condition I could not agree with this. I cannot understand why the council or licensing authority needs to know to whom the property is let - this smacks of soviet style intrusion. The details would be known to the landlord or managing agent and so may be required to be supplied in the event of complaints or evidence of a failure to comply with the conditions of the licence.</p>	<p>If the council were to collect information (like any information) it would need to be clear about why it needed the information and the purpose that it was asking for it.</p> <p>The council investigates possible breaches of different pieces of legislation and this permits the council to ask the licence holder for this information. It can be as part of a licence application or later following an investigation.</p>
<p>I strongly disagree that the licence holder should provide the council with information regarding the occupants, this infringes the tenant's right to privacy and would breach GDPR laws.</p>	<p>Bedrooms can be used by one or two people and the actual number of people is determined by the size of the room. The number sharing is also age and sex dependent.</p> <p>The council receives many complaints about over occupation that need investigating.</p>
<p><u>CPRPL 2020 Condition 5.5. (Licence holder to ensure property complies with planning and building regulation requirements).</u> We do not agree that compliance with planning and/or building regulation</p>	<p>The Selective Licensing and Housing enforcement teams would not look to enforce a licencing condition breach for a failure to comply with planning and building regulation legislation. In light of this the</p>

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<p>requirements should be made a condition of the licence. Those provisions are each enforced under their own statutory regime. In our experience it is common practice to add a clause at the end of the licence to confirm that granting the licence does not indicate compliance with planning and/or building control approval. This is already referred to within the glossary and so this condition should be deleted.</p>	<p>relevant section has been amended so that this is no longer a proposed condition but is now a note preceding the glossary.</p>
<p><u>Welcome information pack to tenants</u> The provision of clear and easily accessible information to tenants is vital - is there going to be a standard pack so that all tenants in the borough receive the same information? Tenants should also have simple style information as to the type of tenancy they have and their rights and responsibilities. Not just saying 'you have an assured short-hold tenancy' etc. Most tenants have no concept of what this means.</p>	<p>The council would be happy to produce a template welcome information pack that a landlord and agent could use for a new tenant. This form could be used to help tenants and landlords with meeting many of the proposed conditions in the selective licensing scheme.</p>

#### Area 4

### Response to the Consultation – Proposed Fees, Discounts and Charges

The Council have received a range of responses in relation to fees and discounts. These came in responses at consultation events and from the questionnaires. The consultation report from Opinion Research Services includes tables that summarises the views of the many respondents who considered that the licence fees should be lower and offered discounts higher and those who expressed opposing views.

The Council have considered the representations provide a summary response as follows:

The council is entitled to charge a fee that would be used to cover the costs of administrating and enforcing the selective designation(s) whilst in force. The decision is that the grant of a licence would be subject to the payment of a fee.

The proposal that was consulted on was to set fees for licence applications that took into account all of the council's costs in administering and carrying out its licensing functions and carrying out its functions under Chapter 1 of Part 4 Housing Act 2004. The proposed fee structure was calculated on the basis that the schemes would be cost-neutral to the council, with licence fees covering our costs of administering the schemes and meeting the objectives.

The proposed fees were underpinned by assumptions about the property market and level of fee income over the lifetime of the scheme(s) based on possible application types. An application can be for a single dwelling or multi-let property and be either at the standard fee or eligible for a reduction. If made by Cabinet, either of the two designations requires approval from the Government.

	Fee	Percentage
Single dwelling (new)	£350	72%
Single dwelling (standard)	£750	24%
Multi-let property licence (new)*	£300	2%
Multi-let property licence (standard)*	£650	1%
Single year licence	£468	1%
Total		100%

\*assuming that there are 3 dwellings per application on average.

At this stage Croydon has assumed that approximately 70% - 75% of selective licensing applications will be received before the start of the scheme. CPRPL saw 23,500 of such applications; approximately 60% of a final total. The council still has a good number of unlicensed addresses from the first scheme.

The Council have benchmarked the proposed fee structure against other London Boroughs that have large scale licensing schemes and the Council believe that the proposed fees compare favourably with these authorities. The fees have not been raised from the levels charged in October 2015 and the fee structure supports compliant landlords.

Taking all relevant factors into account, The Council have decided not to make significant changes to our proposed fee structure. Below is a sample representation of responses received that relate to the licence fee structure with the council response:

Consultation response	Council response to point
<p><u>Administrative fee for Temporary Exemption Notice application.</u> The Proposed Temporary Exemption Notice fee of £100 is unlawful in nature.</p>	<p>This proposed charge has been withdrawn in response to the consultation.</p>
<p><u>Selective Licence Fee levels.</u> We note that the council is proposing to charge a standard application fee of £750 per property with a reduced rate of £350 per property if the property remains unchanged and the existing licence is renewed before 1 October 2020.</p>	<p>This is correct but the renewal date has not yet been announced and it will be later than the 1<sup>st</sup> October 2020.</p>
<p>Regarding the council's proposed fees for selective licenses, the landlord questions the size of the fees in comparison to other areas of London and the UK. They point out that some local authorities have discounts in place for landlords who are accredited with particular bodies or members of landlords associations, or where schemes are co-regulated, going on to question how the London Borough of Croydon could justify fees of £350-£750 per application.</p>	<p>The fees have been calculated over the lifetime of the scheme and the council believes the levels are fair and compare well with other Boroughs operating similar size schemes. The fees do not include a discount for accredited landlords or landlords who are members of any landlord or trade organisation.</p> <p>The council notes that the consultation exercise sees some report that the £750 is too high. The fees and discounts see a structure that favours the compliant landlord where there is an entitlement to the £350 fee [previously licensed or new letting].</p>
<p>Your fees also do not reflect the difference between the application fee and ongoing fee is a licence is granted. This does not reflect the successful legal challenge by a landlord a few years ago, and does not explain how you will refund part of the fee to cover ongoing management of the scheme if the application is rejected. This leaves the council at risk of legal challenge again.</p>	<p>The proposed fees have been split into two parts. Part A which is to be paid at the application stage and Part B at the point a licence is to be granted. This split is operational with the current selective licensing scheme and is proposed for the new scheme.</p>
<p><u>Are current licences eligible under the new scheme?</u> I have received an e mail explains about the new scheme from next October, I just got my license 3 months ago and paid for 5 years, so when the new scheme starts do I have to reapply? And pay again?</p>	<p>If a new designation is made and subsequently confirmed by the Secretary of State a new application would need to be made by each landlord. A new fee will be required. The licence will last for 5 years from the point of application with the proposed scheme.</p>
<p><u>Ensuring a licence holder has sufficient</u></p>	<p>The council will provide updates to all</p>

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<p><u>time in which to apply for a 'renewal'.</u>          Whilst we welcome the 50% plus discount for licence renewals, we would encourage the council to adopt a more flexible approach about the fee discount cut-off date. We are aware that both scheme proposals will need permission from the Secretary of State. This may lead to unavoidable delays. As such, we would encourage the council to commit to offering this fee discount for licence renewals over a 3-month period leading up to the replacement scheme start date. This will ensure larger portfolio landlords and letting agents have sufficient time to get their applications submitted during the discount period.</p>	<p>licence holders through the website and regular newsletters. If a new designation is made this will need a commencement date. A commencement date would be set by Cabinet as part of making a designation(s). Consequently, this will be publicised at an early stage to allow landlords to plan. If a new scheme proceeds landlords will be given a three month period in which to licence their properties and benefit from the reduced fee.</p>
<p><u>Licence fee discounts for accredited landlords.</u>          We would encourage the council to consider offering a licence fee discount where the licence holder, or their designated manager, is accredited. This would help to recognise the value of accredited letting agents. We would welcome the opportunity to meet with the council to explain the safeagent accreditation process and the added value that this brings, so this issue can be given further consideration.</p>	<p>The council does not propose to offer a fee reduction where the landlord or letting agent, as licence holder or designated manager, is accredited. The council promotes professionalism and supports the various accreditation schemes that are run and look to achieve the same. The council also encourages landlords to join professional bodies and association so that they have access to sound advice, up to date news and pier advice where it is needed.</p>
<p>I do feel that some discount should be allowed for landlords who take the trouble to join a recognised professional body (like the NRLA) and carry out regular CPD as part of being accredited - something which I was told before the start of licensing in Croydon would be a requirement; I'm now understand this is not case, but required or not, accreditation (like licensing) is entirely sensible.</p>	
<p><u>Discounts on fees penalties</u>          Licence fee discounts based on Energy Performance Ratings;          25% discounts for accredited landlords;          20% discounts for landlords who are members of a recognised residential landlord organisation;          A simple, flat fee of £250 per rented property/dwelling for five years, designated for the whole of the borough of Croydon – with discounts as above and capped at 50% of the maximum total licence fee;</p>	<p>The council does not propose to offer a fee reduction where the property has an energy performance rating of above a specified level. The council estimates that 21% of the private rented stock is at the Minimum Energy Efficiency Standard (MEES) of E or below. This is approximately 10,000 addresses. The new scheme will look at the need to inspect these addresses and support landlord with the processing of improving a properties energy efficiency and rating. A fee structure benefits from</p>

50% penalties for late payment of fees; and	simplicity and clear categorisation and a large number of discounts can make it complicated.
<p><u>Landlords not charged additionally for multiple properties.</u> Not charging private landlords per property. I can understand why companies or organisations which own hundreds of properties might be charged per property. But private landlords who own more than one property should I think be exempt from this. We don't want to risk losing any good landlords.</p>	The council does not want to lose any good landlords and agents from the borough. There is a high demand for privately rented accommodation. A licence is issued per property and not on the landlord alone. The council has offered a discount for a multi-let property licence but not a discount for landlords who own multiple properties.
They do not consider it fair that there is no discount for multiple properties, as "the administrative process should be significantly less once an applicant is set up on the system";	The council does not propose to offer a discount for a landlords who owns multiple properties.
<p><u>Better discounts in multi-let property licences to reflect the financial savings.</u> However, we would encourage the council to look again at the proposed standard fee of £650 per flat within the building. Processing just one licence application for the building will, we believe, result in considerable cost savings for the council when compared to separate licence applications for each flat. It may be that a fee of £400 - £500 per flat would be more appropriate, or perhaps fee bands depending on how many flats are contained in the building.</p>	The council is proposing to offer a reduction for each dwelling within a multi-let property licence. The reduced fee is either £650 (standard fee) or £300 (new application). The fees are not being further reduced in response to the consultation. Even through a single licence will be issued for a multi-let property the level of information input and considered for each dwelling will not be significantly reduced. The licence application will come with wider paperwork such as relating to the communal ways (e.g. fire safety) and possible declaration of management documents. The licence will make specific references to the number of dwellings covered by the multi-let property licence. There are some efficiencies and the fee reduction built in is felt to be reasonable.
For larger buildings, particularly those purpose-designed and with on-site management teams in place permanently, the multiples of license fees appear to be disproportionate and effectively punitive. In a single, managed building it seems reasonable to either apply significantly deeper discounts for larger numbers of multi-let dwellings within a single building, or to apply a cap on the total fee payable in relation to a single building in multi-let occupancy.	
<p><u>License issued from inspection date</u> If a license has previously been granted and an inspection not carried out, the new license term should not come into force until the council have carried out their obligations to inspect all currently licensed properties. The selective licensing that is in place takes no account of the makeup of</p>	The council is not required under the Housing Act to inspect all addresses. The council can prioritise inspections in line with the objectives underpinning the scheme. The proposed scheme will include the need to inspect properties for identifying and reducing property hazards. An inspection programme will be introduced to help

<p>the property, there should be a larger discount for renewals for converted houses where there are separate flats at one freehold address (converted houses), under one freehold ownership.</p>	<p>achieve this objective. There is a reduction for a multi-let property licence proposed but it is not to be extended following the consultation.</p>
<p><u>Reduced fees or exemptions where other regulatory controls apply.</u> For (multiple) multi-let discounts, a distinguishing factor should probably be whether the building complies with the definition of 'build to rent' within the mayor of London's policy documents (e.g. para. 4.9 of the 'homes for Londoners' SPG of August 2017, or policy h11 of the forthcoming new London plan). Where this definition is met, usually demonstrated through the planning permission secured for the building, we suggest a maximum cap for the licence fee applied to the building no greater than would be applied to a multi-let application of 50 dwellings. In considering this suggestion, build to rent providers should be considered as being more similar to registered providers, whose properties we understand to be exempt from the proposed licence requirements due to other regulatory controls on their property management and tenancies, rather than individual owners of individual and often fragmented properties with no defined management standards.</p>	<p>The council will be following the national licensing exemptions, as set out in the consultation documents. Some thought has been given to whether the council can introduce exemptions from the requirement to licence outside of those exemptions which are provided for in the Housing Act 2004. Introducing borough-based exemptions such as those suggested is not recommended as, apart from the added costs of monitoring eligibility for such exemptions, it is unclear whether the council may lawfully set its' own local exemptions. The council recognises that some landlords will have a large portfolio and a fee per property remains a fair way of charging in that it is always proportionate. It also sees that the build to rent model being followed is subject to additional responsibilities such as on-site management and systems to allow for the prompt resolution of issues and some daily on-site presence.</p>
<p>The landlord suggests several ideas regarding discounts under a new selective licensing scheme, including: 1. Reduced fees for the 'transfer' of a licence when a property changes hands.</p>	<p>Section 93 (6) of the Housing Act 2004 does not permit a licence to be transferred. A new application will be need to be made. The council is allowing the reduced fee for new applications where a currently let property is purchased and licensed (within one month) by a Croydon licence holder.</p>
<p><u>Comments about proposed fees</u> I object to the discount on multiple occupancy units, this favours professional landlords. I object to the discount for new properties coming to the market to rent. This favours property developers and they should undertake the same level of rigor in licencing. I am pleased to see that there will be a discount for existing licences, this makes the scheme more affordable and potentially encourages more landlords to licence their properties. Although in principle it makes sense to put some landlords with poor quality properties on an</p>	<p>The council is only proposing to offer a discount for multi-let property licences and not to landlords with multiple properties in the Borough. The reduction per unit relates to dwellings in a single block with some efficiencies the council can achieve.  The annual fee only relates to applications made where the council does not feel that a five year licence is appropriate. The council can issue a licence for up to five years and in cases where the management is poor or there has been previous compliance issues a one-year licence will be granted. The</p>

<p>annual charge it would be much better to be fining them for non-compliance. The risk of an annual fee may be a deterrent for the landlords with poor quality properties and they are probably avoiding getting licences in the first place.</p>	<p>licence holder will get a case officer for the year to provide support and monitoring. To ensure applications are sought there will be officers in place from the start to identify unlicensed addresses.</p>
<p>It would be better if landlords can pay for an annual instead of a five-year renewal. This is because there are some people who just let their house out for a year or two whilst they are travelling or working abroad, or because they can't sell in a low property market. Or they might sell the property when they're just a year or two into a five-year licence and the new owners might occupy the property themselves instead of letting it.</p>	<p>If a landlord is in the process of selling a property then the option of an application for a temporary exemption notice exists. This gives the landlord a three month exemption period in which to take steps to make their property exempt from licensing. The council feels that the administrative burden for issuing shorter term licences too great and so such fees have not been built into the proposed fee structure. In many cases landlords plans change and longer licences may subsequently be needed.</p>
<p><u>Reduced fees for studio flats (tiny).</u> As a family who rent out a tiny studio it seems extremely unfair to pay the full fee that a professional landlord would pay. Perhaps the fee could be tapered?</p>	<p>This request has been considered but it is not proposed to change the fee structure based on the size of a premises or 'professional nature' of the landlord.</p>
<p><u>Reduced fee for listed building</u> Some of the properties are locally listed and that creates a challenge for any landlord to balance the need to make modifications / improvements without compromising the innate nature and character of the building. Perhaps locally listed properties should be granted an exemption or failing that at least a reduction in the licence fee ?</p>	<p>This request has been considered but it is not proposed to change the fee structure based on whether the premises are listed or located in a conservation area.</p>
<p><u>Error in FAQ document.</u> We also note some inconsistency in the FAQ document about the proposed fee level. Whilst the table refers to a standard fee of £650 per flat, the text on the same page refers to £600 per flat.</p>	<p>This error has now been corrected.</p>
<p><u>Length of time for new licence application.</u> We note the proposal that most licences will be issued for 5 years from the date approved, rather than being restricted to the end date of the licensing scheme. We welcome this proposal, which helps to ensure a landlord who acquires a new property to rent out during the scheme will still be entitled to the same 5-year licence.</p>	<p>The proposal is to issue the licence for 5 years from the date of application. This will mean a significant number of licences will continue in place after the end of the designation and landlords remaining subject to the scheme licensing conditions.</p>
<p><u>Length of licence term</u> Surely the licence should be levied once on the property for the duration of the time it is rented out, not on a 5 yearly basis. I have received the full 5 year period on 1 licence</p>	<p>The Housing Act 2004, under section 91(4), states that a licence cannot be issued for period longer than a five years. A licence cannot be issued with an open unlimited term attached. A licence can be issued for</p>

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only, as I bought the other 3 properties in 2016-17 so have received the licence for less than 5 years on these properties.	a shorter term.
The landlord suggests that there may be unintended consequences of a new licensing scheme; having fixed 5-year licences might incentivise landlords to leave properties vacant until the end of a licensing period, rather than pay the fee for just a few months of licence.	A landlord may choose to do this as a way of avoiding a fee. An empty property is not licensable. To encourage the payment of a fee under CPRPL 2015 there is a reduced fee proposed for landlords who apply under CPRPL 2020 who have a licence granted under CPRPL 2015.

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Area 5

**Response to the Consultation – Operating the new scheme**



Consultation response	Council response to point
<p><u>Licence application processing times and tacit consent.</u> The council have not stated within the consultation documents if tacit consent applies should the processing of the licence go beyond the advertised time. This as well as not providing a timescale for the length of processing time for a licence application. Concerning the processing time for a licence application, regulation 19 of the provision regulations deals with the speed of processing of applications. Specifically, they require that applications must be: 1. Processed as quickly as possible and within a reasonable period running from when all documentation has been submitted. 2. The length of the processing period must be fixed and made public in advance. 3. Where an application has not been processed within the advertised period, the licence will be granted automatically.</p>	<p>In the consultation documents a question was included (in the FAQ section) about the very topic of tacit consent.</p> <p><b>Is tacit consent provided?</b> 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.</p>
<p><u>Setting up a tribunal service.</u> The scheme should take into consideration the proposed changes to Section 21. A tribunal service to solve issues before they escalate should be considered.</p>	<p>The council ASB team does use an independent Mediation Service and anyone can make a referral to the service. All that is required is that both parties agree.</p>
<p>Setting up a tribunal as a way of resolving tenancy issues. The ending of a tenancy will be a way for a landlord to resolve an allegation of antisocial behaviour, waste mismanagement or even a malicious complaint. This will not resolve the issue of high tenancy turnover; it will exacerbate it. There needs to be a support mechanism put in place for landlords who have problem tenants so that issues can be resolved at an early intervention stage.</p>	<p>When there is ASB that is not serious – such as excessive household noise – then we make a referral to the Mediation Service (or residents/landlords can make the referral) and the independent Mediation will take place.</p> <p>Where there is serious ASB (such as verbal abuse, assault, misuse of the property, drugs etc.) enforcement action should be taken by landlords. Many tenants don't want to lose their homes so eviction action is impactful. The landlord should give the tenant a final warning before legal/s21 eviction action letter. This would put the tenant on Notice and give them an opportunity to abate the nuisance.</p>
<p>All-borough licensing is the only way to cope if s.21 evictions will actually result in rental sell-offs, see Residential Landlords Partnership April 2019 survey results for study.</p>	<p>Where there is serious ASB (such as verbal abuse, assault, misuse of the property, drugs etc.) enforcement action should be taken by landlords. Many tenants don't want to lose their homes so eviction action is impactful. The landlord should give the tenant a final warning before legal/s21 eviction action letter. This would put the tenant on Notice and give them an opportunity to abate the nuisance.</p>
<p><u>Support to manage serious offenders.</u> Housing in the Thornton Heath area is often the first step out of homelessness and as a result we observe that the people offering</p>	<p>The council will consider, as it does now, using its' statutory powers to deal with issues such as serious ASB where reliance on a landlord taking County Court</p>

<p>housing and the individuals needing housing are very similar in mentality; both hardened by their experiences. Antisocial behaviour is rife and good landlords need more support particularly in relation to the eviction of drug dealers and violent offenders.</p>	<p>proceedings would result in excessive delay and will not remedy such issues in a timely manner.</p> <p>The council will also consider a tribunal service and the benefit for this with resolving landlord – tenant disputes in an amicable manner</p>
<p><u>Support for landlords managing anti-social behavioural problems to reduce need for eviction.</u> Condition 2.1.5: given the proposed abolition of section 21 notices, evictions on the grounds of anti-social behaviour will only be possible if there is sufficient evidence to encourage a court to award possession. As such, it would only be appropriate to start eviction proceedings if there is sufficient evidence to provide a realistic prospect of success. It would be helpful to know what support services the council can offer to help address any perceived anti-social behaviour and/or help to explore if the tenancy can be sustained. This may help to avoid placing further pressure on the council's homelessness service.</p>	<p>The council has a number of teams who are tasked with resolving incidents of anti-social behaviour in the borough. The first step is trying to resolve the problem and provide support for parties who may be suffering from illness, mental health or other problems. The first aim is for the tenancy to be sustained. Landlords are asked to respond to ASB complaints quickly and try and understand the root cause of the problem. The council would look to provide support with advice, templates, recording actions and signposting. The council can advise on enforcement powers that are available. The council can advise on the steps to take to properly record problems and start eviction processes. If the proposed scheme(s) start the council will look to create clear pathways for support for both landlords and tenants.</p>
<p><u>Managing anti-social behaviour involving vulnerable tenants.</u> The interaction between adult social care/children's services will have to be involved as many tenants have mental health, alcohol, or drug related illnesses.</p>	<p>The council supports the need to ensure support is available for vulnerable tenants and for landlords who house them.</p>
<p>The council should publish a strategy for dealing with chaotic and antisocial tenants. This should run in conjunction with the current proposal. The council should establish a system to prevent malicious claims of poor property being made, which could result in high costs for the landlord and the council</p>	<p>The council needs to ensure that the right services are connected so that the council is protected from malicious claims. Equally, councils need to ensure correct advice and judgments are made to ensure landlords are not themselves penalised.</p>
<p><u>Landlords to manage ASB from outsiders</u> Due to the fact that serious anti-social behaviour has been taking place in properties where the perpetrators are neither the tenants nor their visitors but by outsiders, it is essential that the new proposal requires landlords/leaseholders to deal with anti-social behaviour not only by tenants or their visitors (as is the case with Croydon's current licensing system) but</p>	<p>A multi-let property licence can be issued where the block, property and each of the flats are owned and managed by the freeholder with no further leases sold to different persons. This licence can place responsibilities on the licence holder of a block to properly manage ASB in the communal parts; both internally and externally. This can include ASB, waste, recycling and fire safety.</p>

<p>also covers anyone coming onto the property, irrespective of whether they are known to the residents, or not.</p>	<p>Standard licence conditions for lessees of a flat will not apply to the freeholder. A freeholder could take on responsibilities for licensing conditions if relevant and they are willing. Licensing is also not about the condition of the garden except where it could provide harbourage for pests.</p>
<p><u>ASB responsibilities for freeholders</u> A regular maintenance agreement needs to be in place which must cover all internal and external communal areas to ensure that they are in a good state of repair as well as rubbish, weed and foliage free. Such a requirement must also apply to those properties where there is no freeholder because they have died intestate and so the property is in escheat.</p>	<p>If the complaint arises from a tenant's visitor then the licence holder of the premises would be expected to respond to complaints and speaking to the tenant with a view to resolving the problems.</p>
<p><u>Landlord contact details required to be provided to neighbours.</u> If houses are to be rented out it should be a condition that neighbours on adjoining houses are made aware of this and a contact number be given in cases where problems arise. This way ASB/fly tipping etc can be dealt with by the landlord before it escalates. Neighbours witness far more than the landlord and council but usually have no knowledge of who owns the property.</p>	<p>The council is required to make publically available a list of licensed properties and licence holders. A list of the licensed addresses are available on the council website. The Licensing and management of HMO and Other Houses (MP) (England) Regulations lists what must be available on the public register. There is no requirement for the register to hold a licence holders phone number, only the name and address including that of any manager.</p>
<p><u>Providing support for landlords where tenants have illegally used the property.</u> There needs to be provision for landlords who have legally rented out a property that has later been illegally sublet. The council will need to allocate resources to tackle these problems that criminals cause. Often, landlords are victims, just as much as tenants.</p>	<p>The council frequently uncovers rent to rent and situations where an address has been sub-let when carrying out audit inspections of properties. Rent-to-rent is not against the law per se, but the council recognises that accommodation occupied on this basis is often associated with breaches of housing regulations and represents a poor housing option for private sector tenants both in terms of safety and security of tenure. The evidence pack sets out the enforcement actions that have been undertaken under the existing selective licensing scheme and the scheme objectives of the proposed schemes, including targets for targeted/programmed property audits and improved properties. Through the implementation of the proposed scheme objectives, the Authority will continue to enforce against non-compliance. Licensing income provides the council with the increased capability to undertake proactive inspections to identify non-compliance including those involving rent-to-rent arrangements. Properties used as Airbnb are exempt from property licensing and the</p>
<p>The council should work with landlords on tackling rent-to-rent and subletting, including Airbnb.</p>	
<p><u>Supporting landlords with overcrowding</u> How will the council assist landlords when overcrowding arises? It is impractical for landlords to monitor the everyday activities or sleeping arrangements of tenants. Where overcrowding does take place, the people involved know what they are doing and that they are criminals, not landlords. The council already has the powers to deal with this. An inspection regime would deter this.</p>	

	objectives of the scheme are to tackle housing conditions (including overcrowding) and ASB.
<p><u>Support for landlords with tenants placed following homelessness acceptances</u> The council should instead concentrate on spending time with the rent/benefit claims so that tenants do not fall into arrears and misuse public funds. We have found that despite Croydon Council carrying out the pre-tenancy rent affordability calculations for the tenant, the same tenants have fallen into arrears within 2 months of their tenancy. We feel that the council officers should be constantly in touch with the tenants to ensure there are no rent arrears. The council need to assist tenants better with rent arrears, Universal Credit/Housing Benefits and improved vetting of the tenants backgrounds. The council should urgently implement a system for troublesome/challenging tenants to better manage their way forward with responsibility and stability instead of the same tenants returning to the council due to evictions. We have found that even Croydon Council caseworkers for the tenants are unhelpful once the tenants are placed in accommodation.</p>	There are a number of services within the council to support tenants into new tenancies. There are a lot of comments about need and service quality here that need considering. The aim of providing support for tenants is noted and can be considered as part of a new scheme. If services are available then better promotion can be considered.
<p><u>Wider ways to support Croydon landlords as a way of improving the PRS.</u> 1) Where a licensed landlord reports anti-social behaviour in or around his licensed property, the council should demonstrably prioritise action to address the problem  2) Where a licensed landlord rents to a tenant on housing benefit, the council should provide direct assistance to tenant and landlord where the tenant is in arrears  3) Where a licensed landlord reports to the council that he/she cannot inspect/repair/maintain a licensed property due to the refusal by the tenant or neighbour to allow reasonable access, the council should provide direct and demonstrable support to the landlord  4) The council could offer a clearing agency service for private tenants who are looking</p>	Please see above at sections 1, 2 and 3 where these/similar comments have been responded to. The Council will look to work with landlords as part of the new scheme.

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<p>for somewhere to live. Fees could be charged to landlords for placing tenants and as long as these fees are less than agency fees then this would be a win-win for council and landlords</p> <p>5) Where a licensed landlord needs to sell a licensed property or otherwise take possession of it for his/her own/family use, the council should demonstrably offer support to the tenants to make it easier to place them elsewhere and for the landlord to take possession.</p> <p>As the private rented sector is nearly 40% of Croydon's housing provision, the council should not just view landlords as a ready source of cash. If some modest services are offered to landlords for the licence fee, then it is possible to create a partnership council/landlords partnership that could be a ground-breaking innovation for the council.</p>	
<p><u>Supporting a landlord with reduced council Tax in a void period</u> There is no clear benefit to landlords. For example, as a member of the NLA, they receive helpline support, document templates, discounts on services used by landlords etc. As a licensed landlord, they say they <i>"don't see any tangible benefit, not even the benefit of council tax exemption or reduction during void periods ... or a clear path to help with support evicting a troublesome ASB tenant..."</i></p>	<p>The council has considered this proposal for reducing Council Tax for periods when the property is void and essential maintenance is being carried out. At the moment there is no intention to reduce council tax for landlords of 'empty properties', obviously if any government guidance is produced this will be taken on board and the council will re-evaluate its position. If a property is undergoing a substantial renovation then the owner can request that the property is removed from tax, to do this the owner would need to contact the valuation office; further information is available. <a href="#">[here]</a>. This is not a decision included as part of the proposed licensing scheme.</p>
<p>Not paying full council tax whilst essential maintenance was being carried out on empty properties. My maintenance took 10 months and I was paying full council tax during that time.</p>	
<p><u>Supporting landlords living overseas</u> A lot of landlords are foreign based. Provide them ability to receive documentations and communications via post in a foreign country and more importantly electronically. Make it easier for foreign landlords to attend local council run landlord forums and meetings.</p>	<p>The council has operated the current licensing scheme using email addresses as the primary way of communicating with parties. The council operates three forums a year and at least three separate repeat sessions at each forum. All parties are welcome to attend and the presentations are put on the council website within a month of the meeting. The demand for live forums has not been evident although one or two landlords have requested it. Demand can be monitored.</p>

	Whilst licence holders can live abroad there is a condition that a competent local agent is appointed to run the property.
<p><u>Improving property conditions through licensing.</u> One of the challenges for a proposed licensing scheme will be the challenge to bring the housing stock up to an EPC D by 2025. This will be a significant challenge for the property stock in Croydon, Victorian and single wall.</p>	Property condition is central to the proposed scheme. The energy rating of a property is one of those areas the council would look to focus. The aim will be to allow properties to move through the banding to reach at least a D.
The council is in a power position. They can strike a deal with other companies that may provide, for example; insulation, and the council can point landlords to the services of this company. A joint collaboration with landlords will enhance trust between landlords and council.	The suggestions are interesting and positive and the council can certainly look to steps it can take to support a collective willingness to improve properties energy rating. Solid wall insulation will be a key part of this.
As a landlord the only benefit of the scheme so far is that it spells out the practice standards for landlords.	The council would look to ensure practice standards are clear for all landlords. A new condition is added to ensure that landlords are clear that the council expect them to act and record how they have acted on problems identified after their six-monthly inspections.
Landlords are required by law to be at standards, not to be actively trying to reach them.	
How will council determine which ones are in the 24% bucket?	The proactive premises audit and inspection programme will help ensure the council is getting out to the substandard properties in the Borough. The council will use a range of data sources including, tenants complaints, licence application information and datasets to help identify the properties for inspection.
The present system of including all property in the licensing scheme is poorly focused. The licensing should be confined to those parts of the borough with a poor housing to enable a focussed approach aimed at really improving the letting housing. Stock. Or it could exclude purpose-built flats or single family occupied houses and focus on older Victorian or Edwardian dwellings that are split into multiple dwellings.	The data from the modelling report indicates that poor property conditions are found throughout the whole Borough. The new scheme will look at a number of areas within property conditions such as energy (cold), fire safety, falls and overcrowding.
<p><u>Passing the buck to landlords.</u> The scheme as it works now seems designed more to 'Pass the buck' to the landlord. The guidelines sent out after the Grenfell fire for example, simply point to enforcement, they don't separate out the law from good practice, they just pass the</p>	The council wants to work in partnership with landlords. This means identifying the different ways that a council can help and then finding the best means to do it. Grenfell has had a significant on the whole sector and it will continue to do so. The enforcement team can maybe spend time a

<p>buck to the landlord without any practical advice. They weren't even circulated to all landlords.</p>	<p>disproportionate time considering legislation and enforcement without always offering solutions.</p> <p>Feedback is always appreciated as the council looks to improve its services. Note 4 has been added to the conditions to clearly promote the partnership between professional renting and the council.</p>
<p><u>No record of informal improvements.</u> The council has also not taken into consideration the amount of informal enforcement activity undertaken between local authorities and private landlords. The Tenant Fees Bill has also introduced a lead enforcement authority to provide guidance and support to local authorities regarding the enforcement of letting agent requirements.</p>	<p>In producing the consultation documents the council has not stated its significant levels of informal actions. Going forward reporting on the achievements of a scheme will include some of the softer and often underrated work. The council is currently active with this legislation with the Trading Standards team in contact with the many letting and property agents in the Borough</p>
<p><u>Working with letting and managing agents.</u> We would encourage the council to explore mechanisms for effective liaison with letting agents and to acknowledge the benefits of encouraging landlords to use regulated letting agents such as safeagent licensed firms.</p>	<p>The council wants landlords to responsibly manage rental accommodation and where landlords are not able to effectively manage properties themselves do encourage the use of regulated letting agents and will use the sessions with landlord forums as one of the ways in which we can help landlords make informed decisions over their management of licensed properties.</p>
<p><u>Regulating letting and managing agents.</u> Letting agents in Croydon also need to be regulated and there should be a mandatory requirement to be members of ARLA PropertyMark to ensure that the agents are advising their landlords correctly and backing up the proposed government/council schemes. If the council, letting agents and the industry get behind the scheme and support it by way of actions and those that fail in their duty are fined and there are clear consequences to ignoring the law we will begin to see an improvement. The quality and condition of rental stock should improve and/or those landlords and agents that like to operate illegally or in a non-ethical way will be forced out of the market.</p>	<p>The Council Trading Standards team is very proactive with ensuring that letting agents or property managers in the Borough are working in line with legislation. This includes some of the new requirements recently introduced; membership of a government redress scheme, compliance with the Tenants Fees Act and membership of a client money protection scheme. Regulated letting agents provide a valuable option for landlords not wanting to manage the tenancy or who may live outside the British Isles.</p> <p>Only compliant letting agents can hold a licence and the Licensing Administration Team, Enforcement team and Trading Standards will continue to work together to achieve full compliance. New note 3 is added to the conditions to further ensure compliance from letting and property management agents.</p>
<p><u>Tenants feeling too intimidated to complain</u> Even where they are visited by the council,</p>	<p>A licensing inspection looks to demonstrate compliance with the licensing conditions.</p>

<p>they are expected to meet the inspector in the company of their landlords. This is despite the fact that multiple reports have underlined tenants' unwillingness to complain about standards at all, let alone in front of their landlord.</p>	<p>This includes the opportunity for the licence holder to run through the certification and paperwork. It is therefore desirable that the licence holder is present at the inspection. The point is noted about how this type of inspection can allow an intimidated tenant the opportunity to raise concerns. This will be considered as part of how inspections are conducted with the new scheme</p>
<p><u>Put pressure on landlords to effect quick repairs.</u> Secondly, I have not seen any benefits of it. As I was use to rent myself having more stronger laws on what landlords should be providing like deposit protection, basic appliances in good working condition, limits on time when in case repairs due e.g boiler/ washing machine should be 7-10 days ( at least a confirmation that repair is booked) is more beneficial for the tenant.</p>	<p>Selective Licensing is a way of bringing together the requirements that have been made under a number of different pieces of legislation. This is a definite benefit and that the conditions allow a compliance audit. A responsible landlord should get on with a defective boiler repair within 7 days. In the winter this should be sooner. The council can serve an enforcement notice where a defective boiler is found.</p>
<p>A grading system like the 5 point hygiene score, 'scores on the doors' would help.</p>	<p>This is an interesting idea but not proposed with the current scheme</p>
<p><u>Finding suitable staff to inspect addresses.</u> Staff are clearly not trained properly, nor provided with the tools for the job. They are not worthy of the title of inspector as they are far from professional, so they shouldn't be carrying out inspections. They don't have enough time on each piece of work and they are on insecure, short-term, badly paid contracts that mean they won't be investing too much in the job, they'll be off as soon as they can get a secure job.</p>	<p>The council employs staff in a mixture of ways. Contractors choose this method of employment as for the period they are employed on reasonable rates. All staff are expected to work to a high standard regardless of the method of employment. In time for the new scheme staff will all receive training to ensure the aims and objectives of the new licensing scheme are fully understood. Licence fee income will be used to ensure that sufficient staff and other resources are in place to achieve these objectives. Licensing enforcement officers work closely with other sections within the council and with external agencies to achieve coordinated enforcement outcomes.</p>
<p><u>Inspectors to draw floor plans for fire.</u> During property inspections, landlords should be issued with floor plans (with marked locations of smoke and heat detectors). These should be attached to the licence.</p>	<p>The drawing of floor plans is not proposed as a service for all property inspections. Where an inspection identifies that fire precautions are needed in the property, plans are often drawn where the layout is more complicated as a way of illustrating what works are needed for compliance.</p>

**Area 6:**

**Response to the Consultation – Enforcement of the new scheme.**

Consultation response	Council response to point
<p><u>Action against tenants</u> The council could develop a strategy that includes action against any tenants who are persistent offenders. This would look at street drinking, mental health and drugs</p>	<p>The council ASB team does support landlord with action. When there is ASB that is not serious – such as excessive household noise – then they make a referral to the Mediation Service (or residents/landlords can make the referral) and the independent Mediation will take place.</p> <p>Where there is serious ASB (such as verbal abuse, assault, misuse of the property, drugs etc.) enforcement action should be taken by landlords. Many tenants don't want to lose their homes so eviction action is impactful. The landlord should give the tenant a final warning before legal/s21 eviction action letter. This would put the tenant on Notice and give them an opportunity to abate the nuisance.</p> <p>The council will consider, as it does now, using its' statutory powers to deal with issues such as serious ASB where reliance on a landlord taking County Court proceedings would result in excessive delay and will not remedy such issues in a timely manner.</p>
<p><u>Croydon to create public register of offenders</u> We believe properties under investigation (i.e. complaints made) should be red/orange flagged publicly (i.e online). Therefore, if we are aware of issues it's clear that the landlord is under investigation. We investigate a wide range of issues.</p>	<p>The council currently uses the two registers of offenders; the Mayors Landlord and Letting Agent Checker and the Ministry for Housing Communities and Local Government Rogue Landlord database. These are used for checking who is listed as well as logging offenders. A list of landlords (by flagging) under investigation is not proposed.</p>
<p><u>Enhance the property register.</u> Propose that the property register be enhanced to include: the ability to search by street name/address rather than postcode; EPC ratings at the time of registration/inspection; whether properties are HMO registered; the date of any property inspections; whether properties are under any prohibition/overcrowding /enforcement action; and whether</p>	<p>The council has a register of licensed premises and mandatory houses in multiple occupation that are in the other Croydon licensing scheme (<a href="#">MHMOL</a>). Some of this information suggested falls outside of the statutory obligations. The council will consider its inclusion as part of a new scheme; many data protection hurdles will need to be achieved. Some of the information, such as EPC certification, is already in the public domain. The points</p>

properties are managed by accredited licence holders.	about ease of use are noted and some thought to the benefits of wider access to property information will be considered.
<p><u>Ensure clear enforcement policies</u> Whilst we have no objection to shorter licences being issued to landlords or letting agents of concern, we would encourage the council to publish clear guidelines about how the policy will be applied. This will help to reassure the majority of compliant landlords and agents that shorter licences will not be unfairly applied for minor unintended transgressions where no harm has been caused.</p>	<p>The Public Realm (previously Safety) Section has an enforcement policy that is publically available on the Croydon Council <a href="#">website</a>. The council needs to follow the principles of the Regulators' Code which came into statutory effect on 6 April 2014 under the Legislative and Regulatory Reform Act 2006 and provides a clear, flexible and principles-based framework for how regulators should engage with those they regulate. This includes the approach taken when it comes to deciding when to take action against landlords contravening the legislation. Additionally, it needs to follow various statutory guidance which has been produced for the service of <a href="#">financial penalties</a> and placing a landlord on the <a href="#">Rogue Landlord Database</a>.</p>
<p>Publish guidance as to how the council measures the quality and suitability of housing which includes: -how you make consistent assessments of properties -what action you take with landlords who don't maintain their properties -how you maintain impartiality</p>	
I can't understand why a one-year license would be granted to somebody if they were not fit to hold a license. A person and their property should always be of the highest standard.	If a landlord is deemed not fit to hold a licence the application will be refused or revoked. The test for fitness and management arrangements is covered by section 90 of the 2004 Act.
<p><u>Having balanced enforcement</u> Over 10,000 properties were unlicensed under the previous scheme</p>	The estimated number of licensable premises following the modelling report was 48,500. Whilst the Council has not got to the end of the scheme, the number of unlicensed premises is estimated at 10,000 which is a significant number. The landlords of these premises will not be entitled to a reduced fee under the new scheme. Unlicensed premises will be investigated until the end of CPRPL 2015.
Any regulation of the private rented sector must be balanced. Additional regulatory burdens should focus on increasing the professionalism of landlords, improving the quality of private rented stock and driving out the criminals who act as landlords and blight the sector.	Croydon Council fully supports this statement. There needs to be engagement with all landlords; wherever they lie with respect to professionalism.
I can only agree if council provide landlord insurance for the private property with a fee of £750 for 5 years. Otherwise this fee payer does not benefit anything, or the landlords must submit gas/ electric/safety certificate to the council on its expiry as mandatory and council should charge a reduced fee £100 to manage.	Under CPRPL 2015 the council did not require the licence holder to submit new certification as past certification expired. There is no proposal to build in a fee reduction for landlords adopting a self-certification approach. In the new scheme the council will look to increase desk based auditing. The council is not aware of any insurance firms that reduce the insurance

	premium(s) for licensed landlords
50% penalties for late payment of fees	The council did not propose to introduce a penalty for late payment of fees
<p><u>Enforcement through inspections and self-certification</u></p> <p>Croydon have a small staff structure and not many inspections have taken place in the last 5 years. We feel that an online questionnaire/tool should be implemented for the Landlords to acknowledge the requirements instead of having a local borough Property Licensing Scheme. The landlords are only able to take 5 weeks deposit from the tenants and any further costs for licensing to landlords are unnecessary.</p>	The housing enforcement team was expanded to help with property inspections and enforcement. Desk based auditing of licenced landlords will form a significant part of the new scheme. This will help with the risk based approach to property inspections to help target enforcement, compliance inspections and poor property conditions. I am not sure of the relevance of the limit on deposit to the cost of a landlord licence but I agree that the deposit it is now limited at 5 weeks by the provisions of the Tenant Fees Act 2019.
<p>Could you have a starred rating system in your office to differentiate between good and bad properties in respect of the resources required to monitor each property. There must be a big cost saving to you from your good landlords. I thought the consultation was very well organised and presented. Very much worth the effort. Thank you.</p>	Thank you for your positive words about the consultation. Staff from the council and Opinion Research Services invested a lot of time in making it a success. The scheme is unlikely to see a rating system for landlords although a risk based approach to property inspections to help target enforcement, compliance inspections and poor property conditions will take place and properties will need to be identified for these purposes.
<p><u>Enforcement against tenants and fraudulent claims</u></p> <p>The council should “concentrate on spending time [on] rent/benefit claims so that tenants do not fall into arrears and misuse public funds ... council officers should be constantly in touch with the tenants to ensure there are no rent arrears”;</p>	The council invested monies in the fraud and housing benefit teams. It will review how this worked and look more at fraudulent claims for either benefits, council tax benefit and non-payment of council tax. A good number of the landlords in receipt of a financial penalty were in wider debt.
<p><u>Option to revoke licence to lessee.</u></p> <p>I lease a flat in Croydon. Also, I was a director of the company the lease holders created to buy the freehold. We bought the freehold to manage the maintenance of the block including the safety of residents. The behaviour problems we have are all with tenants that the lease holder has sublet the flat to. It is important that we have the option of asking Croydon to revoke a license.</p>	Before an application for a licence is made the applicant and proposed licence holder should inform all interested parties. When a licence is in force the council can receive an application to revoke a licence from either the licence holder or a relevant person. This is possible through section 93(7) of the Housing Act 2004. A relevant person is defined under sub section 8 and includes a freeholder as they have an estate or interest.
<p><u>Freeholder responsibility</u></p> <p>I think freeholder for the flats should be penalised if they are not working with the landlord to resolve communal/block issues. There is no point penalising landlord when freeholder does not take the appropriate action. For e.g. I have to constantly request</p>	The freeholder leaseholder relationship is one that continues to cause much distress for different parties. It is not a condition per se to work with the freeholder but there is a condition on the lessee (as licence holder) to carry out six monthly inspections to identify repair issues (condition 1.6) and the

<p>my freeholder to rectify issues in the block and the response is poor and it puts me into a difficult situation to be a good landlord. The council should be involved in telling the freeholders to do their jobs and penalise them if needed.</p>	<p>action taken. In addition a licence holder must act on a complaint referred (condition 3.6.1). The council recommends that lessees use the Government advice agency <a href="#">LEASE</a> to help provide support and advice in situations where freeholders are not acting in everyone's interest.</p>																														
<p><u>Strong enforcement and working with Property Agents.</u> A lot of time, when a property has issues, both the landlord and agents are extremely blasé and where a property is fully managed by an agent that agent is your sole point of contact and so tenants may feel helpless to their situation. The risk of a hefty fine for the agents letting such properties (where the property is in an unfit state when the new property enters their books, and a modified fine if a situation occurs whilst the property is on their books which isn't rectified within a certain time frame) would encourage the right behaviour from all the stakeholders involved, and you'll see a shift in behaviours. The agents will be the ones effectively doing a lot of the groundwork for you and not allowing such properties to come onto the rental market to begin with.</p>	<p>The council has taken enforcement action and the strength and purpose of this has grown over the period of the current scheme. Enforcement considers three levels of action:</p> <table border="1" data-bbox="810 680 1347 1084"> <tr> <td colspan="2" style="text-align: center;"><b>Stage 1</b></td> </tr> <tr> <td>1.</td> <td>Managers warning</td> </tr> <tr> <td>2.</td> <td>Simple caution</td> </tr> <tr> <td>3.</td> <td>Financial penalty</td> </tr> <tr> <td>4.</td> <td>Prosecution</td> </tr> <tr> <td colspan="2" style="text-align: center;"><b>Stage 2</b></td> </tr> <tr> <td>1.</td> <td>Rent repayment order</td> </tr> <tr> <td>2.</td> <td>Professional Enforcement Action</td> </tr> <tr> <td>3.</td> <td>Revoke / refuse CPRPL</td> </tr> <tr> <td>4.</td> <td>Issue 1 – year CPRPL</td> </tr> <tr> <td>5.</td> <td>Mayor of London RLMAC</td> </tr> <tr> <td colspan="2" style="text-align: center;"><b>Stage 3</b></td> </tr> <tr> <td>1.</td> <td>MHCLG database</td> </tr> <tr> <td>2.</td> <td>Banning order application</td> </tr> <tr> <td>3.</td> <td>Revoke wider CPRPL</td> </tr> </table> <p>The council does look for property agents to play a significant and purposeful role. If landlords are unable to manage the role of renting responsibly options including agents are considered.</p>	<b>Stage 1</b>		1.	Managers warning	2.	Simple caution	3.	Financial penalty	4.	Prosecution	<b>Stage 2</b>		1.	Rent repayment order	2.	Professional Enforcement Action	3.	Revoke / refuse CPRPL	4.	Issue 1 – year CPRPL	5.	Mayor of London RLMAC	<b>Stage 3</b>		1.	MHCLG database	2.	Banning order application	3.	Revoke wider CPRPL
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<p><u>Using technology to report offences</u> Tenants run into problems such as someone blocking their driveway especially for the properties near public places. There is only very limited support to tackle them. Allow tenants and landlords to upload the photos of such behaviour and then council should issue fines without the need of an enforcement warden to come.</p>	<p>The council will consider new ways of allowing the public to reporting problems. A decision as to allocating to the relevant department can then be made who will act on the information. It is a concern that the public are not always able to reach an officer and are left on hold for a long time.</p>																														
<p>When renewing licences perhaps get information from adjoining neighbours to see if there have been problems. Rented houses can have ASB going on but it is a real problem trying to report it. Most happens out of office hours so the council is closed. Even those that do phone say they do be on hold for over 20 minutes and usually no ASB officer on duty. HMO's have caused a lot of stress and anxiety to some residents. The council should get first-hand information.</p>	<p>The private housing enforcement team often receives photographs from tenants and neighbours showing problems that are being experienced. Where useful the photographs can be forwarded to the landlord or licence holder. An inspection is always an option to be sure the problem can be fully assessed.</p>																														
<p><u>CPRPL inspections</u></p>	<p>If an issue with a dangerous fence or wall</p>																														

# CROYDON

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<p>Garden separation walls. I was able to replace the walls on the left-hand side of the garden and sharing the cost. Yet on the right-hand side, the wooden panels are old and fell when it's windy and needs replacement. Yet I was never able to reach the owners and the tenants are not participative. My tenants have a 5-year-old kid. What would happen if the panel fell whilst playing there? It would be great if the CPRL security officers visiting our properties also took these situations into considerations. I.e. to contact the landlord of neighbouring property to agree to share the cost of replacing new wooden garden panels.</p>	<p>comes up this should be first discussed with the neighbour. If a suitable response is not forthcoming then it can be reported to either the <a href="#">building control</a> department: The telephone number is 020 8760 5637 (8.30am to 5pm) emergency number (5pm to 8.30am) 020 8688 1700. OR private housing team: Public telephone: 020 8760 5476 (direct dial with monitored answerphone) Email: <a href="mailto:hsg-privatehousing@croydon.gov.uk">hsg-privatehousing@croydon.gov.uk</a> A selective licensing inspection should pick on issues that present a risk to health so that the repair can be completed.</p>
<p><u>Upload documents.</u> You should provide a website or cloud system where we can upload our documents so tenants/council can easily check all this. Make an online portal for all compliance issues.</p>	<p>This point has been noted and would provide a good way of checking compliance.</p>
<p><u>The landlords who do not licence are the issue.</u> The only way that I see the licencing scheme as being effective is if all landlords register. I have worked closely with the licencing team across my portfolio and clearly the data shows that the vast majority of people signing up for the licences are not the problem, it is the landlords who do not register that are the issue. There must surely be accurate data for the number of individual dwellings in the borough. Each dwelling must have a council tax reference. When individuals register for council tax they should have to declare if the property they are living in is rented or owned. All rented properties should be in a database and cross referenced with the land registry for ownership.</p>	<p>Many of the landlords of unlicensed addresses will not have made an application for a range of reasons including the want to remain under the radar. Much work has been undertaken to secure an application from all landlords but there will still be a significant number who remain unlicensed.</p> <p>As part of the council's enforcement work in identifying unlicensed landlords the team will look to check property records against the databases held for council tax and housing benefit purposes. This can help with identifying whether a property is rented.</p>
<p><u>Continued bad practice.</u> If a poor landlord continues to abuse the system by letting poorly maintained properties and treating tenants unfairly then he/she should be compelled by law to sell the property to the council at an appropriate fraction (40%?) of its value. The council could then upgrade the property and use it as long-term social housing. This would kill two birds with one stone, removing the problem of a negligent landlord and</p>	<p>This suggestion of the compulsory purchase of properties will be considered in due course and to see if it can be incorporated within the amended enforcement policy. Properties not licensed or presenting health and safety risks can be subject to management orders where local authorities take on the day to day management responsivity. A few of the landlords that were issued with a financial penalty have been subject to bankruptcy</p>

<p>increasing the social housing stock in an economical manner.</p>	<p>proceedings which has resulted in the repossession of their properties.</p>
<p>Other buildings are simply left to rot by landlords knowing that very little is going to be done to them by local authorities. Others build sheds in back gardens to house more undocumented people. This can all be revealed using google maps and it should be used in conjunction with a license application. We also know that some rogue landlords are using their properties to cram in people in dangerous conditions, sleeping on floors etc (thirty people in three bed semi- shocking tv Daily Mail 3 June 2019).</p>	<p>This comment is noted.</p>
<p><u>Compliance certificates, stronger fines and rent repayment.</u> If the above conditions are relevant to improving the standard then surely the scheme should be based on issuing a compliance certificate to landlords that meet the conditions and only then can a property in question be allowed to be rented. Penalty should be harsh and severe on those that allow property to be rented without the compliance certificate. Making them pay the rent back to the tenant would be a good incentive to use!!! Fee for compliance certificate should be at market rate. This can be renewed every 5 years. The proposed approach is fair on 70% that are classified from the council's own admission as good landlords. Let the income generated from penalties and making rogue landlords pay for taking advantage of deprived tenants address the other social issue.</p>	<p>A licence can be issued without an inspection. With the new scheme a number of landlords will be inspected prior to the issuing of a licence. This will include landlords or concern, small HMO's and other addresses based on information from intelligence and in the application. If the proposed management arrangements are not satisfactory then a licence will not be granted or the landlord will be given a one year licence to allow proper monitoring. This will not result in a compliance certificate but will help with ensuring satisfactory standards are kept.</p> <p>When the scheme gets more momentum the income from rent repayment orders (to the council for housing benefit) and financial penalties can be used to pay for resources to help with further enforcement.</p>
<p><u>Restrictions placed by Article 4.</u> The recent widening of the definition of an HMO to include properties with three or more residents and the requirement for planning permission under article 4, is disgraceful, it discriminates against homeless people, excludes small groups of friends from living together and was not subject to any significant consultation. Such rules for HMO's as they used to be defined - five or more sharers not forming one family - are fine. The new draconian rules will severely increase homelessness in the borough and discriminate against single people. They should be rescinded immediately.</p>	<p>Croydon Council introduced a Borough-wide Article 4 Direction on 28th January 2020 to protect family homes (houses and flats) by requiring planning permission to convert these properties into small houses of multiple occupation (HMOs). The Article 4 Direction was confirmed to come into place on 28th January 2020, a year after it was first made. It removes the current 'permitted development right' that allows the change of use from a dwelling house (C3) to a small House in Multiple Occupation HMO (C4). Use Class C4, are small HMOs that are defined as the use of "a dwelling house between three and six unrelated individuals, used as their only or</p>



	<p>main residence, who share basic amenities such as a kitchen or bathroom. The second type of HMO is a large HMO which is Use Class Sui-Generis. These are properties where there are seven or more occupants. Large HMOs that fall into the Use Class 'Sui Generis' would not be restricted by the Article 4 Direction as these require planning permission for a change of use as a change of use from Use Class C3 to Sui-Generis is not allowable under permitted development.</p>
<p><u>Fines to £100,000.</u> If you are going to have fines in place for those landlords that are not holding licences, they need to be higher, I would suggest that as a minimum they need to be £100,000. This is a sum that most people, individuals or portfolio landlords, would find painful to lose and could lead to them losing the property.</p>	<p>The maximum a financial penalty can be for, for a single offence, is £30,000. The Government is looking for local authorities to use them to penalise offenders and deter others from offending. The penalty needs to have an impact.</p>