

**Time and Date**

2.00 pm on Tuesday, 3 September, 2024

**Place**

Council Chamber - Council House

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1. **Apologies**
2. **Minutes of the Meeting held on 9 July 2024** (Pages 5 - 12)
3. **Correspondence and Announcements of the Lord Mayor**
4. **Petitions**
5. **Declarations of Interest**

**Matters Left for Determination by the City Council/Recommendations for the City Council**

6. **Audit and Procurement Committee Annual Report to Council 2023/24**  
(Pages 13 - 22)

From Audit and Procurement Committee, 22 July 2024

**It is anticipated that the following matter will be referred as a Recommendation from the Cabinet meeting held on 27 August, 2024. The report is attached. The relevant Recommendation(s) will be circulated separately**

7. **Additional HMO Licensing Scheme 2025 - 2030** (Pages 23 - 114)

From Cabinet, 27 August 2024

**Item for Information**

8. **Amendments to Allocation of Executive Functions** (Pages 115 - 119)

Report of the Director of Law and Governance

**Item for Consideration**

9. **Amendments to Appointments** (Pages 121 - 125)

Report of the Director of Law and Governance

## Other Matters

### 10. **Question Time** (Pages 127 - 129)

- (a) Written Question – Booklet 1
- (b) Oral Questions to Chairs of Scrutiny Boards/Chair of Scrutiny Co-ordination Committee
- (c) Oral Questions to Chairs of other meetings
- (d) Oral Questions to Representatives on Outside Bodies
- (e) Oral Questions to Cabinet Members and Deputy Cabinet Members on any matter

### 11. **Statements (If any)**

### 12. **Debates**

- (a) **To be moved by Councillor P Seaman and seconded by Councillor CE Thomas**

“Coventry City Council resolves to treat care experience as if it were a Protected Characteristic and formally call upon all other bodies it partners or contracts with to treat care experience as a Protected Characteristic until such time as it may be introduced by legislation.”

- (b) **To be moved by Councillor G Ridley and seconded by Councillor R Bailey**

"This Council regrets the decision by the Labour Government to end universal winter fuel payments which could push up to 45,000 people in the city into fuel poverty.

We call on the Leader of the Council to write to the Chancellor urging a review of the decision to restrict eligibility to those in receipt of pension credits and other benefits.

This is to ensure vulnerable pensioners, particularly those that do not claim pension credits, are protected from financial hardship.

Council notes that many pensioners eligible for credits do not apply for them and will lose winter fuel payments as a result. Therefore, we resolve to undertake an awareness campaign to encourage residents in Coventry to check their eligibility. This includes the use of social media, promotion in the local press and Citivision."

**(c) To be moved by Councillor S Gray and seconded by Councillor E Reeves**

“Council notes that the Cost-of-Living crisis is not over.

Between April 2022 and April 2024 the cost of a basic weekly food basket has increased by 25%.

The Ofgem price cap is expected to rise again by around 10% in October, meaning bills stay 50-60% above pre-crisis levels. We further note that bills could have already been lowered through an adequate programme of home insulation in line with net zero commitments.

Rents in the private housing sector, where many of the most vulnerable households live, have continued to increase at a rate above headline inflation.

Council calls on the new Government to:

- Extend and increase the Household Support Fund as an interim measure, enabling councils to help those in the most need this coming winter.
- Give the power to local authorities to control rents if the local rental market is overheated.
- Bring forward a simple and accessible system for homeowners to access property-linked finance to pay for the work needed to decarbonise heating and reduce energy costs.
- Expand available funding for the social housing decarbonisation fund and so all local authorities and social housing providers can maximise their work to shift to cleaner and cheaper energy in homes.
- Integrate these, and schemes to encourage private landlords to insulate their properties to minimise the overall cost by, for example, insulating an entire street at the same time.”

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Julie Newman, Director of Law and Governance, Council House, Coventry

Friday, 23 August 2024

Note: The person to contact about the agenda and documents for this meeting is Carolyn Sinclair/Suzanne Bennett 024 7697 2302 / 2299

Membership: Councillors F Abbott, S Agboola, N Akhtar, P Akhtar, M Ali, R Bailey, L Bigham, J Birdi, J Blundell, R Brown, K Caan, B Christopher, G Duggins, J Gardiner, S Gray, L Harvard, G Hayre, M Heaven, P Hetherington, A Hopkins, J Innes, T Jandu, A Jobbar, A Kaur, L Kelly, T Khan, AS Khan, R Lakha, R Lancaster (Deputy Chair), M Lapsa, J Lepoidevin, G Lewis, G Lloyd, P Male, K Maton, J McNicholas, C Miks, B Mosterman, M Mutton (Chair), S Nazir, J O'Boyle, E M Reeves, G Ridley, E Ruane, K Sandhu, T Sawdon, P Seaman, B Singh, R Singh, R Thay, CE Thomas, D Toulson, A Tucker and D Welsh

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**Carolyn Sinclair/Suzanne Bennett**  
**024 7697 2302 / 2299**

**Coventry City Council**  
**Minutes of the Meeting of Council held at 2.00 pm on Tuesday, 9 July 2024**

Present:

Members: Councillor M Mutton (Chair)

Councillor S Agboola	Councillor M Lapsa
Councillor N Akhtar	Councillor J Lepoidevin
Councillor P Akhtar	Councillor G Lewis
Councillor M Ali	Councillor G Lloyd
Councillor R Bailey	Councillor P Male
Councillor L Bigham	Councillor K Maton
Councillor J Birdi	Councillor J McNicholas
Councillor R Brown	Councillor C Miks
Councillor K Caan	Councillor S Nazir
Councillor B Christopher	Councillor J O'Boyle
Councillor G Duggins	Councillor E M Reeves
Councillor J Gardiner	Councillor G Ridley
Councillor S Gray	Councillor K Sandhu
Councillor L Harvard	Councillor T Sawdon
Councillor P Hetherington	Councillor B Singh
Councillor T Jandu	Councillor R Singh
Councillor A Jobbar	Councillor R Thay
Councillor A Kaur	Councillor CE Thomas
Councillor L Kelly	Councillor D Toulson
Councillor T Khan	Councillor A Tucker
Councillor R Lakha	Councillor D Welsh

Honorary Alderman J Clifford, H Fitzpatrick, M Hammon, D Skinner and K Taylor

Apologies: Councillor F Abbott, J Blundell, G Hayre, M Heaven, A Hopkins, J Innes, AS Khan, R Lancaster, B Mosterman, E Ruane and P Seaman

## **Public Business**

### **16. Minutes of the Meetings held on 19 March, 16 May and 25 June 2024**

The Minutes of the Meetings held on 19 March, 16 May and 25 June 2024 were agreed and signed as true records.

### **17. Correspondence and Announcements of the Lord Mayor**

#### Councillor T Sawdon

The Lord Mayor referred to Councillor T Sawdon's 50 years of service as an elected Member.

A Motion without Notice was moved by Councillor G Duggins, seconded by Councillor G Ridley and supported by Councillor S Gray that:

“The warmest thanks of the Council are due and are hereby given to Councillor Tim Sawdon in recognition of his 50 years’ of public service as an elected Member of Coventry City Council and for his dedication to duties during that time and that a copy of this resolution, under the Common Seal, be presented to him”.

**RESOLVED that the above Motion be unanimously agreed.**

18. **Petitions**

**RESOLVED that the following petitions be referred to the appropriate Cabinet Member:**

- (a) Request for residents parking scheme to stop others parking in Hastings Road by making it residents permit parking only – 62 signatures, presented by Councillor A Kaur.**
- (b) Request for double yellow lines at the junction of Wingrave Close and Jardina Drive – 79 signatures presented by Councillor T Jandu.**

19. **Declarations of Interest**

There were no declarations of interest.

20. **Local Government Association (LGA) Corporate Peer Challenge 2024 - Outcome of Peer Challenge**

Further to Minute 3 of the Cabinet, the City Council considered a report of the Chief Executive which outlined the outcome of the Local Government Association (LGA) Corporate Peer Challenge held in Coventry in January 2024.

The LGA Corporate Peer Challenge feedback report was provided as an appendix to the report (Appendix A). The report provided a detailed response on findings, including a number of observations and suggestions within the main section of the report.

In summary, during the course of the Peer Challenge week, the Peer Team found that:

- Coventry is an ambitious place that is on the up, with examples of innovation and a willingness to embrace change, whilst not forgetting its heritage.
- Coventry is a well-run Council, with strong officer and political leadership.
- Employees and elected members are passionate and proud about what they do.
- The Council should take further steps to improve diversity across the organisation at all levels
- There is recognition that tough times are still ahead, but people are up for the challenge
- There is a need to ensure that the transformation programme is adequately resourced to enable delivery at pace

- The Council should use the established performance framework to drive improvement and bring greater prioritisation and visibility to areas that require improvement
- Partners and residents are eager to step up and become more involved at an earlier and more strategic level
- There is a need to review our external and internal communications and engagement strategy

There are some areas where further work is suggested by the Peer Team. These areas are described in the 'key recommendations' section of the LGA's feedback report.

Following the Peer Challenge in January, the Council has reflected on the Peer Team's findings in order to determine its response to the recommendations that have been made. The Council response was provided as a further appendix to the report (Appendix B). The report indicated that the Council are embracing the opportunity to reflect on the feedback and were committed to making improvements where it can through organisational ownership.

Scrutiny Co-ordination Committee considered the report on 10 June 2024 and resolved to add Major Cultural Events, Recruitment and Retention and CCC Transformation Programme onto their work programme for consideration during 2024/25.

**RESOLVED that, the Council having considered the contents of the report and the Council response document, supports the work to deliver the actions outlined in Appendix B in response to Recommendations made by the Peer Team.**

21. **Scrutiny Co-ordination Committee Annual Report 2023-24**

Further to Minute 5 of the Scrutiny Co-ordination Committee, the City Council received a briefing note of the Director of Law and Governance, appended to which was the Scrutiny Annual Report 2023/24. The Constitution requires that Scrutiny report annually to inform Council of its work.

**RESOLVED that the Council receives and notes the Scrutiny Annual Report.**

22. **Annual Report of the Ethics Committee 2023-24**

Further to Minute 4 of the Ethics Committee, the City Council considered a report of the Director of Law and Governance which set out the work of the Committee over the last Municipal Year. In particular, the report detailed:

- Update on the Online Safety Bill (now enacted Online Safety Act 2023)
- The Committee's review of the Local Code of Corporate Governance
- Civility in Public Life, Intimidation in Public and Digital Citizenship
- Local Government and Social Care Ombudsman Annual Report

The report also detailed other regular work of the Committee over the last year including receiving regular reports on ethical standards cases across the country;

maintaining a watching brief on work being undertaken by the Committee on Standards in Public Life; and locally on supporting Members in dealing with challenges associated with public service, particularly in relation to intimidation and abuse. The Committee has also received an update on Members training during 2023/24 and supported the continuing delivery of the Members Training and Development Strategy, including actions for 2024/25.

**RESOLVED that the City Council notes the Annual Report of the Ethics Committee for 2023/24.**

### 23. **Revenue and Capital Outturn 2023/24**

Further to Minute 8 of the Cabinet, the City Council considered a report of the Director of Finance and Resources which outlined the final revenue and capital outturn position for 2023/24 and reviewed treasury management activity and 2023/24 Prudential Indicators reported under the Prudential Code for Capital Finance. Appendices to the report provided a detailed breakdown of Directorate Revenue Variations, Capital Programme Changes and Analysis of Rescheduling, and Prudential Indicators.

The overall financial position included the following headline items:

- An overspend of £1.8m, balanced by a contribution from unearmarked reserves.
- Capital Programme expenditure of £115.3m
- A reduction in the level of available Council revenue reserves from £128m to £118m

Further detail within the overall position included:

- An overspend of £4.9m in Adults' Social Care reflecting an increased number of high-cost complex cases.
- An overspend of £4.7m within Streetscene and Regulatory Services representing a reduction in income generation in several areas such as planning applications, car parking in parks and bereavement services as well as pressures within urban forestry due to remedial works on trees. A significant proportion of this pressure was within Waste & Fleet services relating to implementation of HSE recommendations, costs of increased tonnages and increased gate fees, and deficits on planned income in both Commercial Waste and Passenger Transport.
- An overspend of £2.8m within Childrens' Services reflecting high placement costs and staffing pressures in Help & Protection (Area Teams) due to high levels of cases which required additional workers and agency staff.
- An overspend of £2.5m on Housing & Homelessness due to an increase in people seeking support and being placed in temporary accommodation (TA), combined with an increase in TA fees.
- An underspend of £1.8m in Education & Skills due to management of vacancies within Customer Services, alongside other efficiencies and the utilisation of grant income and earmarked reserves.
- An overspend of £1.4m on Business, Investment & Culture represented underachievement of sponsorship income and reduced grant from ERDF as well as holding costs for the City Centre Cultural Gateway due to slipped project implementation timescales.



- An overspend of £1.4m on Transport & Highways relates to increased costs in highways maintenance to address highways defects, as well as continuing high costs of energy for street lighting.
- The service had experienced pressures in highways maintenance due to the cost of addressing highways defects and income pressures resulting from sickness and recruitment challenges. In addition, the continuing high cost of energy had resulted in pressures in street lighting. These pressures had been partially offset by a recovery in car park income.
- A net underspend of £12.4m within central budgets, included higher dividend income from Council owned companies, interest income from loans, higher than budgeted investment income, and distribution of Business rates Levy Account Surplus.

The underlying revenue position had improved by £6.7m since Quarter 3 when an overspend of £8.5m was forecast. The majority of the improved position related to increased one-off income within Contingency and Central budgets which were set out in the report.

The prudent management of the Councils financial position throughout the Covid crisis enabled the Council to retain some resources to manage any legacy issues. £1.8m of this had been used to balance the position at the end of 2023/24. Although the Covid crisis was no longer a significant threat to the Councils service delivery and financial position, the cost-of-living crisis and high levels of inflation had had tangible impacts on demand for both Childrens, Adults and Housing services. The complexity of need, support required and sufficiency of the external market to provide for this had directly impacted the Councils financial outturn reported up to 31st March 2024 and would be an ongoing financial challenge in 2024/25.

**RESOLVED that the City Council:**

- 1. Approves the reserve contribution of £1.8m for the purposes described in section 5.1 of the report.**
- 2. Approves the resource switch of £5.9m of capital projects funded by revenue to capital receipts, to create the Financial Risk Contingency within Reserves, referenced in Section 2.2.3 of the report.**

**24. Statement of Assurance (Director of Children's Services)**

The City Council considered a report of the Director of Law which informed Council of the arrangements being put in place following the departure of the statutory Director of Children's Services (DCS) and provided a Statement of Assurance as to how the statutory responsibility of the Director of Children's Services under Section 18 of the Children Act 2004 would continue to be met.

The DCS is appointed for the purposes of discharging the education and children's social services functions of the local authority. The functions for which they are responsible are set out in section 18(2) of the Children Act 2004. This included (but was not limited to) responsibility for children and young people receiving

education or children’s social care services in their area and all children looked after by the local authority or in custody (regardless of where they are placed).

**RESOLVED that Council:**

- 1. Notes the report and Statement of Assurance.**
- 2. Delegates authority to the Director of Law and Governance to amend the Council’s Constitution to reflect the changes outlined.**

**25. Annual Report from the Leader to the Council on Key Decisions made under Special Urgency Provisions 2023/2024**

The City Council noted a report of the Leader which reported on Key Decisions made in the previous year where the Special Urgency provisions were used. This applied where it was not practicable to give notice at least 5 clear days in advance of a Key Decision being made.

The Leader reported that there were no such cases during the 2023/2024 Municipal Year.

**26. Acceptance of Grant Funding - Household Support Fund**

The City Council noted a report of the Chief Executive which informed Council of a decision undertaken by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) in accordance with the Financial Procedure Rules as set out in the Constitution and following consultation with the Cabinet Member for Housing and Communities, the Cabinet Member for Strategic Finance and Resources and the Leader of the Council to accept and allocate a grant of £3,224,222.30 from the Department for Work and Pensions (“DWP”) pursuant to the grant scheme known as the Household Support Fund (HSF). Due to the timescales involved, this decision was being reported to Council retrospectively.

**27. Question Time**

Councillors Hetheron, McNicholas and Sandhu provided written answers to the questions set out in the Questions Booklet, together with oral responses to supplementary questions asked at the meeting.

The following Members answered oral questions put to them by other Members as set out below, together with supplementary questions on the same matters:

	<b>Questions asked by</b>	<b>Question put to</b>	<b>Subject matter</b>
1	Councillor Ridley	Councillor Hetheron	Uptake of brown lidded bins
2	Councillor Ridley	Councillor P Akhtar	Anti-social behaviour at Godiva festival
3	Councillor Thomas	Councillor Caan	Launch of the vaccine superheroes for all schools, including the special education needs schools

4	Councillor Male	Councillor Welsh	Implications for Coventry with the reintroduction of compulsory housing targets and building on greenbelt land
5	Councillor Male	Councillor P Akhtar	Explanation of failure to renew current Public Space Protection Order and residents' concerns about e-bikes and alcohol drinking in the city centre
7	Councillor Thomas	Councillor P Akhtar	Public Space Protection Order

## 28. **Statements**

The Leader, Councillor G Duggins, made a Statement in respect of a number of matters including the outcome of the General Election, prospective candidates and elected MPs, Becky Gittins, work of the election team, Mayor of Combined Authority, Police and Crime Commissioner, Armed Forces Day, 80<sup>th</sup> Anniversary of D Day, 25<sup>th</sup> Anniversary of Godiva Festival, Motofest, New Director of Childrens Services, Kirston Nelson, average speed cameras and partnership working with the Police and Coventry City Football Team

Councillor G Ridley, Leader of the Conservative Group, responded to the Statement.

Councillor S Gray, Leader of the Green Group, responded to the Statement.

The Leader made a short reply.

## 29. **Debates - Proposed Increases in Bus Fares**

The following debate was moved by Councillor P Male and seconded by Councillor J Lepoidevin:

“This Council calls upon WMCA to review its proposed increase to bus fares that will significantly impact upon low income, working families.”

The following amendment was moved by Councillor J O’Boyle, seconded by Councillor P Akhtar and carried:

After the words “to review its” delete the words “proposed increase to” and insert “its relationship with” then after the word “ bus” delete the rest of the Motion and insert “operators with a view to franchising which will see the Combined Authority set fares, routes and frequency in line with customer need and demand thus supporting the region, Coventry and the travelling public.”

The amended Motion now to read:

"This Council calls upon the WMCA to review its relationship with bus operators with a view to franchising which will see the Combined Authority set fares, routes and frequency in line with customer need and demand, thus supporting the region, Coventry and the travelling public."

**RESOLVED that the amended Motion as set out above be adopted.**

(Meeting closed at 4.35 pm)

**Council – 3<sup>rd</sup> September 2024**

**Recommendation from  
Audit and Procurement  
Committee 22<sup>nd</sup> July 2024**

**Coventry City Council**  
**Minutes of the Meeting of Audit and Procurement Committee held at 2.30pm on**  
**Monday 22<sup>nd</sup> July 2024**

Present:

Members: Councillor R Lakha (Chair)  
Councillor B Singh (Deputy Chair)  
Councillor M Ali  
Councillor J Blundell  
Councillor A Hopkins  
Councillor A Jobbar  
Councillor P Male  
Councillor B Singh

Employees  
(by service area):

Finance and Resources B Hastie (Director of Finance and Resources), T Pinks,  
K Tyler

Law and Governance M Salmon

Apologies: There were no apologies

## **Public Business**

### **12. Declarations of Interest**

There were no disclosable pecuniary interests.

## **RECOMMENDATION**

### **15. Audit and Procurement Committee Annual Report to Council 2023/24**

The Audit and Procurement Committee considered their Annual Report to Council that provided an overview of its activity during 2023/2024. The report would be submitted to the City Council at their meeting on 3rd September 2024.

The report included an introduction by the Chair, Councillor R Lakha, and indicated that the Audit and Procurement Committee was a key component of the Council's governance framework, supporting good governance and strong public financial management. Over the last year, the Committee had continued to discharge its key responsibility effectively, namely providing independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the Council's financial reporting and governance processes. The report demonstrated the vital role carried out by the Committee and the contribution that it made to the Council's overall governance arrangements.

The Committee received a range of routine reports based on the clearly defined expectations of services / functions that reported to it, e.g. internal / external audit and financial management. It also received ad-hoc reports which focussed on either a specific concern or developments that impacted directly on the Committee.

The report detailed the Committee's activity in 2023/24 in the following areas: Governance; Financial Management and Accounting; External Audit; Internal Audit; Fraud and Error; and Procurement. Reports considered during this period which were linked to risk management, internal control and governance, included: Whistleblowing Annual Report 2022/23; Complaints to the Local Government and Social Care Ombudsman 2022/23; Corporate Risk Register; Information Governance Annual Report 2022/23; and Coventry Municipal Holdings Group Accounts.

The report also detailed priorities for the Committee for 2024/25 which included:

- The Council's risk management, governance, internal control and financial management arrangements continue to operate effectively, especially in light of the financial pressures caused by inflation, increasing service demands and difficult conditions within social care markets.
- Matters relating to the publication of the Council's Statements of Accounts were resolved as soon as practicable, with an objective that outstanding years accounts were published in line with the expectations of the Governments consultation once the outcome of that was known.

The Committee agreed to recommend that Council consider the Annual Report for 2023/2024 at their meeting on 3rd September 2024.

**RESOLVED that the Audit and Procurement Committee recommends that Council considers the Audit and Procurement Committee Annual Report 2023/2024 at their meeting on 3rd September 2024.**

# **Audit and Procurement Committee Annual Report to Council 2023-24**

To be considered at the City Council meeting  
on the 3<sup>rd</sup> September 2024

## **Audit and Procurement Committee Annual Report 2023-24**

### **Introduction by Chair of Audit and Procurement Committee**

I am pleased to present this report which outlines the Committee's work over the municipal year 2023-24.

The Audit and Procurement Committee is a key component of the Council's governance framework, supporting good governance and strong public financial management. Over the last year, the Committee has continued to discharge its key responsibility effectively, namely providing independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the Council's financial reporting and governance processes. The Committee has provided oversight of key matters such as the Annual Governance Statement, Internal Audit activity and progress towards meeting the regulatory deadlines for the publication of the Council's accounts. Alongside this, the Committee has considered additional information which provides assurance over the governance arrangements for procurement activity.

I am looking forward to building on the good work done in 2023-24 and ensuring that the Committee continues to make a positive contribution to the overall governance arrangements within the Council. In terms of priorities for 2024-25 these include ensuring that:

- The Council's risk management, governance, internal control and financial management arrangements continue to operate effectively, especially in light of the financial pressures caused by inflation, increasing service demands and difficult conditions within social care markets.
- Matters relating to the publication of the Council's Statements of Accounts are resolved as soon as practicable, with an objective that outstanding years accounts are published in line with the expectations of the Governments consultation once the outcome of that is known.

I hope that this Annual Report helps to demonstrate to Coventry residents and the Council's other stakeholders the vital role that is carried out by the Audit and Procurement Committee and the contribution that it makes to the Council's overall governance arrangements.



**Councillor Ram P. Lakha OBE  
Chair, Audit and Procurement  
Committee**



## 1 Activity of the Council's Audit and Procurement Committee

During 2023-24, the Council's Audit and Procurement Committee met on six occasions. Meetings were held in June, July, October and December 2023, as well as in January and March 2024.

The Committee receives a range of:

- Routine reports based on the clearly defined expectations of services / functions that report to the Audit and Procurement Committee, e.g. internal / external audit and financial management.
- Ad-hoc reports which focus on either a specific concern or developments that impact directly on the Committee.

The details of the reports considered in 2023-24 are expanded upon below.

### 1.1 **Governance** – The Committee received the following reports linked to the Council's governance arrangements:

- The Council's Local Code of Governance was considered by the Committee in June 2023. The Local Code sets out the Council's specific arrangements for putting the principles of good governance into practice. It draws on examples provided in the "Delivering Good Governance in Local Government Framework" published by CIPFA / Solace but also reflect systems and processes which are specific to the Council. The Committee satisfied itself that the Local Code accurately represents the Council's governance arrangements and noted the legal requirement to produce an Annual Governance Statement.
- As part of the Annual Accounts process for 2022-23, the Chief Internal Auditor co-ordinated the development of the Council's Annual Governance Statement. The draft Statement was considered by the Committee in January 2024. The Statement provides assurance that the Council's governance arrangements have been fit for purpose during the year, based on an assessment using a range of sources. As well as highlighting a number of ongoing governance issues that remain a focus for the Council, the Statement also acknowledged the following new governance issues identified from the work undertaken to produce the Statement; raising awareness around requirements to declare gifts and hospitality, implementing the ethical leadership action plan, managing the risk of un-regulated provision in Children's Services, developing an assurance framework for the Council's group of companies, introducing arrangements for publishing decisions delegated to officers, strengthening arrangements to ensure compliance with the Transparency Code, and implementing the action plan linked to the Statement of Accounts.

### 1.2 **Financial Management and Accounting** – In October 2023, the Committee received the final statement of accounts for 2019-2020, alongside the External Auditor's Audit Findings report. As a result of the

audit findings a number of changes were made to the draft accounts, including an increase in net assets, changes to the group accounts and changes relating to land and property valuations. The Committee sought assurances in relation to the delay in approving the accounts and also re-approved the Annual Governance Statement for 2019-20 which set out an action plan to complete subsequent year's accounts as soon as practicable. The Committee has continued to receive updates on this during the year. Additionally, the following reports were received in year:

- The revenue and capital outturn position for 2022-23 was considered in July 2023. The report showed the Council's financial position in relation to management accounts used to monitor performance through the year.
- Quarterly monitoring reports of the Council's performance against its revenue and capital budgets during 2022-23 were considered in October 2023, December 2023 and March 2024.
- A treasury management activity update was considered in December 2023. The report highlighted investment activity carried out by the Council and provided assurance that the Council was managing investments in accordance with its Investment Strategy.

1.3 **External Audit** - External audit activity undertaken to enable the Council's Statement of Accounts for 2019-20 and subsequent years to be finalised has also impacted on the normal timetable of reports that the Committee receives from the external auditors. However, the following reports were received from the Council's external auditors, Grant Thornton in 2023-24:

- External Auditor's Annual Report 2021-22 - This report was considered in January 2024. Its purpose was to provide assurance that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. Whilst the report concluded that there were no significant weaknesses in arrangements to secure financial stability at the Council and improving economy, efficiency and effectiveness, a key recommendation was made in relation to addressing the weaknesses identified in the preparation of the financial statements.
- Interim External Auditor's Annual Report 2022-23. This report was considered in March 2024. The report concluded that at this stage, there were no significant weaknesses in arrangements to secure financial stability and improving economy and effectiveness, although as the accounts preparation and audit cycle remained delayed at the time of writing, the key recommendation relating to the preparation of the financial statements was repeated. The report also noted the Council were taking active steps to mitigate cost pressures.

1.4 **Internal Audit** – In June 2023, the Audit and Procurement Committee received the Internal Audit Annual Report. This report had two main purposes:

- To summarise the Council's Internal Audit activity for the period April 2022 to March 2023, against the agreed Internal Audit Plan for the same period. This highlighted the Internal Audit Service had delivered 89% of the agreed work plan by 31<sup>st</sup> March 2023, against a target of 90%.
- To provide the Committee with the Chief Internal Auditor's opinion on the overall adequacy and effectiveness of Coventry City Council's risk management, internal control and governance arrangements. Based on the work of Internal Audit in 2022-23, the Chief Internal Auditor concluded that 'moderate' assurance could be provided that there was generally an effective and adequate framework of governance, risk management and internal control in place to help the organisation meet its objectives.

Other Internal Audit reports considered during the year include:

- Internal Audit Plan for 2023-24 – This report considered the outcome of the Internal Audit planning process and provided the Committee as a key stakeholder of the Internal Audit Service, the opportunity to comment on the scope and coverage outlined in the plan.
- Progress reports on Internal Audit work – Monitoring reports were received in December 2023 and March 2024. These reports provided updates on the performance of the Service, along with a summary of the key findings from a sample of audit reviews carried out in the relevant periods. In considering these reports, the Committee agreed with the focus of improvements identified and the timescales agreed for implementation.
- Internal Audit External Quality Assessment – This report set out the planned approach for the External Quality Assessment of the Internal Audit Service. The Public Sector Internal Audit Standards require that a Quality Assurance and Improvement Programme is maintained. This includes the requirement for an external assessment to be undertaken every five years to evaluate the internal audit activity's conformance with the Standards and Code of Ethics. The Committee approved the approach outlined with Sandwell MBC acting as the assessor for the Council.
- Recommendation Tracking Report – In March 2024, a report on action taken by service areas in implementing agreed audit recommendations was presented. This highlighted the levels of compliance with the implementation of agreed actions and the approach undertaken by Internal Audit to follow up recommendations.

1.5 **Fraud and Error-** The following fraud reports were considered in 2023-24:

- Annual Fraud and Error Report - This report was considered by the Committee in July 2023 and summarised the Council's response to anti-fraud and error activity for the financial year 2022-23. This included:

- Work undertaken in managing the risk of fraud and error in business support grants which were administered by local authorities on behalf of the government in response to Covid-19. This included pre- and post-payment assurance checks and assisting in the administration of the debt recovery process.
  - A summary of the work undertaken in relation to the National Fraud Initiative, a data matching exercise led by the Cabinet Office. Work in 2022-23 focused on collating and submitting the datasets for the next exercise.
  - A summary of the work undertaken in relation to corporate fraud investigations, including one significant fraud which was concluded during 2022-23.
- Half Yearly Fraud and Error Update - A report was received in December 2023 which provided an up-date on anti-fraud and error activity in 2023-24. This included work to follow up matches from the National Fraud Initiative which highlighted that an estimated £117k of forward savings had been made as a result of action taken.

1.6 **Procurement** – Reports relating to procurement were received in October 2023 and March 2024. This area is considered under the private part of the agenda and are progress reports summarising procurement activity considered by the Procurement Board and Panels in the relevant period, as well as providing details of savings made. The reports also provided assurance around the effectiveness of governance arrangements for Procurement Board and Panels and details of exceptions to Contract Procedure Rules which had been granted. The Committee in considering these reports noted the content of reports and sought assurance around specific activity highlighted.

1.7 **Other** - The Audit and Procurement Committee also supports the Council in considering other areas linked to risk management, internal control and governance and in 2023-24, this included the following:

- Whistleblowing Annual Report 2022-23 – This report provided a summary of the concerns raised under the Council’s Whistleblowing Policy during the year and the Council’s response to the issues. Of the six whistleblowing disclosures received, in one case the matter was dealt with under the Council’s disciplinary process. In three cases, management action was taken to make improvements and in the other two cases, the disclosure did not satisfy the grounds for whistleblowing.
- Complaints to the Local Government and Social Care Ombudsman 2022-23 - This report provided information regarding the number and outcome of Local Government and Social Care Ombudsman complaints received and investigated during 2022-23 along with outlining the actions taken by the Council where a complaint was upheld by the Ombudsman. Of the 73 complaints, 20 were investigated and 17 were upheld. The Ombudsman issued one formal report of maladministration and injustice, in regards to which the Committee received assurance that the Council had taken appropriate action in response.

- Corporate Risk Register– This report set out the current Corporate Risk Register with an overview of the changes since the last Register was considered and details of the controls in place to address identified risks. The Committee noted the Risk Register having satisfied themselves that risks are being identified and managed, whilst also agreeing with the External Auditor’s recommendation that the Committee review the Corporate Risk Register on a six-monthly basis moving forward.
- Information Governance Annual Report 2022-23 – This report considered the Council’s performance in relation to handling requests for information, managing data protection security incidents and completing data protection training, as well as highlighting the outcome of internal reviews carried out by the Council and complaints considered by the Information Commissioners Office. The Council completed 86% of FOI requests on time and 77% of Subject Access Requests. Twelve Information Commissioners Office complaints were received during the year, which were appropriately dealt with. No security incidents were reported to the Information Commissioners Office during the year.
- Coventry Municipal Holdings Group Accounts – This report set out the accounts for Coventry Municipal Holdings limited for the year ending 31<sup>st</sup> March 2022 and where available to the year ending 31<sup>st</sup> March 2023 and also confirmed that each of the trading entities adhered to the requirements under the Group Governance Agreement.

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Scrutiny Co-ordination Committee  
Cabinet  
Council

21 August 2024  
27 August 2024  
3 September 2024

**Name of Cabinet Member:**

Cabinet Member for Policing and Equalities – Councillor A S Khan  
Cabinet Member for Housing and Communities – Councillor D Welsh

**Director Approving Submission of the report:**

Director of Law and Governance

**Ward(s) affected:**

All

**Title:** Additional HMO Licensing Scheme 2025 – 2030.

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**Is this a key decision?**

Yes – The proposals impact on more than two Wards in the City

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**Executive Summary:**

This report provides the results of a statutory consultation carried out in relation to the future of additional licensing in Coventry and seeks approval to designate the whole of the City as subject to additional licensing under section 56(1)(a) of the Housing Act 2004 in relation to the size and type of HMO specified in the recommendations of this report for a period of 5 years commencing on the 4th May 2025.

The Council designated the whole of the city subject to additional licensing scheme from the 4<sup>th</sup> May 2020 and any such scheme can only last for a period of 5 years.

Section 60 of the Housing Act 2004 provides that a designation must from ‘time to time’ be reviewed and can be revoked following a review, but in any case, must end 5 years after it has been made.

On the 13<sup>th</sup> June 2023 a report was submitted to Cabinet seeking authority to conduct a 12-week consultation as part of the review of the additional licensing scheme in operation.

The review was completed in December 2023 and a report was submitted to Cabinet on the 12<sup>th</sup> December 2023 setting out the results in relation to the additional licensing scheme in operation.

A further report was submitted to Cabinet on the 13<sup>th</sup> February 2024 seeking approval to carry out a statutory consultation beginning on the 26<sup>th</sup> of February 2024 and ending on the 17<sup>th</sup> of May 2024 on the future of additional licensing in Coventry.

This report provides the results of the statutory consultation and proposals to implement an additional licensing scheme commencing on the 4<sup>th</sup> May 2025 for a period of no longer than 5 years. The results of the statutory consultation are provided at Appendix 1.

**Recommendations:**

Scrutiny Co-ordination Committee is recommended to consider the report and submit any comments/recommendations to Cabinet for consideration at their meeting on 27 August, 2024

Cabinet is requested to recommend that Council:-

1. Consider any comments/recommendations received from Scrutiny Co-ordination Committee
2. Consider the results of the statutory consultation and approve the following:
  - I. Designate the whole of Coventry City as subject to Additional Licensing under Section 56(1)(a) of the Housing Act 2004 for all Houses in Multiple Occupation (HMOs), irrespective of the number of storeys, that contain three or four occupiers;
  - II. Designate the whole of Coventry City as subject to Additional Licensing under Section 56(1)(a) of the Housing Act 2004 for all HMOs as defined under Section 257 of that Act where those HMOs are mainly or wholly tenanted, including those with resident landlords, unless if it is either:
    - a. a section 257 HMO consisting solely of two flats where neither of the flats is situated above or below commercial premises; or
    - b. a section 257 HMO where the flats share no internal or external common parts, and which are no more than two storeys high;
  - III. That the designations in paragraphs I and II above come into force on the 4th May 2025 for a period of 5 years;
  - IV. Delegate authority to the Director of Law and Governance to sign the Coventry City Council Designation of an Area for Additional Licensing of Houses in Multiple Occupation 2025 as attached at Appendix 2;
  - V. Resolve to adopt the HMO Licensing Policy 2025 as attached at Appendix 3 and review fees periodically to ensure they remain reasonable and proportionate and address any issues relating to surpluses or deficits in accordance with case law and the EU Services Directive.

Council is recommended to:-

1. Consider any comments/recommendations from Scrutiny Co-ordination



## Committee

2. Consider the results of the statutory consultation and approve the following:
  - I. Designate the whole of Coventry City as subject to Additional Licensing under Section 56(1)(a) of the Housing Act 2004 for all Houses in Multiple Occupation (HMOs), irrespective of the number of storeys, that contain three or four occupiers;
  - II. Designate the whole of Coventry City as subject to Additional Licensing under Section 56(1)(a) of the Housing Act 2004 for all HMOs as defined under Section 257 of that Act where those HMOs are mainly or wholly tenanted, including those with resident landlords, unless if it is either:
    - a. a section 257 HMO consisting solely of two flats where neither of the flats is situated above or below commercial premises; or
    - b. a section 257 HMO where the flats share no internal or external common parts, and which are no more than two storeys high;
  - III. That the designations in paragraphs I and II above come into force on the 4th May 2025 for a period of 5 years;
  - IV. Delegate authority to the Director of Law and Governance to sign the Coventry City Council Designation of an Area for Additional Licensing of Houses in Multiple Occupation 2025 as attached at Appendix 2;
  - V. Resolve to adopt the HMO Licensing Policy 2025 as attached at Appendix 3 and review fees periodically to ensure they remain reasonable and proportionate and address any issues relating to surpluses or deficits in accordance with case law and the EU Services Directive.

### **List of Appendices included:**

- Appendix 1 – Results of statutory consultation
- Appendix 2 – Additional Licensing Designation 2025
- Appendix 3 – HMO Licensing Policy 2025
- Appendix 4 – Option appraisal
- Appendix 5 – Timeline for Implementation
- Appendix 6 – Equality and Impact Assessment

### **Background papers:**

None

### **Other useful documents:**

- Cabinet report of the 13<sup>th</sup> June 2023
- Communities and Neighbourhoods Scrutiny Board (4) report of 7<sup>th</sup> December 2023
- Cabinet report of the 12<sup>th</sup> December 2023
- Cabinet report of the 13<sup>th</sup> February 2024
- Housing & Homelessness Strategy 2019 - 2024
- Housing Act 2004.

Additional and Selective Licensing in the Private Rented Sector - A Guide for Local Authorities, published by the MHCLG in March 2015.  
General Approval April 2015

**Has it been or will it be considered by Scrutiny?**

Yes – 21 August, 2024

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No.

**Will this report go to Council?**

Yes – 3 September, 2024

## **Report title: Additional HMO Licensing Scheme 2025 – 2030.**

### **1. Context (or background)**

- 1.1. HMOs are properties that are occupied by at least 3 people in two or more households who share at least one basic amenity i.e. a kitchen, bathroom or toilet. The definition of a HMO includes bedsits, shared houses, flats, lettings with their own facilities and some types of poorly converted self-contained flats.
- 1.2. The Housing Act 2004 provides a power to the Council to introduce an Additional Licensing Scheme in its area. The power was intended to address the impact of poor-quality HMOs that fall outside of the mandatory licensing HMO definition and address management issues and poor property conditions.
- 1.3. On the 4<sup>th</sup> May 2020 the Council introduced a citywide Additional Licensing Scheme which required all HMOs in Coventry to be licensed. The scheme runs for a period of 5 years and as such will cease on the 4<sup>th</sup> May 2025.
- 1.4. Within the Act there is a legal requirement to review the scheme “from time to time”. To fulfil this requirement a consultation exercise was undertaken between July and October 2023 to seek views from all stakeholders on the progress of the scheme so far.
- 1.5. The review showed that the licensing scheme has made good progress in improving standards in a large number of HMOs, for example, the Council has added around 11,598 conditions to licences that has resulted in approx. £1.6m being invested into improving conditions. This investment would not have happened without the scheme, but there are still a significant number of properties that remain unlicensed and there continues to be issues with non-compliance and poor management.
- 1.6. The Council has been proactive in its approach to enforcement of unlicensed HMOs and non-compliance, so much so that this was recognised by the National Residential Landlord Association (NRLA) in their paper - the Enforcement Lottery: civil penalty usage by local authorities, which acknowledged that Coventry ranked first for issuing the most civil penalties for HMO offences in England.
- 1.7. It is clear however, that more needs to be done as a significant proportion of HMOs in the Council’s area are still being managed ineffectively, and unlicensed properties are still present.
- 1.8. The focus of this scheme will therefore be to proactively target those unlicensed and non-compliant properties whilst ensuring that those properties that are already licensed continue to provide the standards required under the requirements of the licensing regulatory framework.
- 1.9. Cabinet considered a report on the 13<sup>th</sup> February 2024 and approved recommendations to proceed with a statutory consultation on the designation of a further scheme from the 4<sup>th</sup> May 2025 to the 4<sup>th</sup> May 2030. The city-wide consultation ran for 12 weeks from the 26<sup>th</sup> of February 2024 to the 17<sup>th</sup> of May 2024.

1.10. This report provides Cabinet with the results of this statutory consultation and seeks a decision from Cabinet to consider the designation of the whole of Coventry as subject to additional HMO licensing for a further five years following the expiry of the existing scheme.

## **2. Options considered and recommended proposal**

2.1. A number of options have been considered in relation to the future of the HMO licensing scheme, these options were to a) renew the scheme in its entirety, b) renew the scheme in parts of the city or c) not renew the scheme.

2.2. The preferred option is to a) renew the scheme in its entirety.

2.3. HMOs are a major concern in Coventry. It is estimated that Coventry has the 14th highest number of HMOs in England and Wales. Only the large metropolitan and unitary authorities and some London Boroughs contain more. They form a high percentage of houses in the City which is attributed to high numbers of students attending both Coventry and Warwick University.

2.4. High house prices create a situation that puts the home ownership market beyond a large number of residents and places a burden on the private rented sector. Sharing accommodation is the only viable option for a large proportion of young and low-income households. Licensing ensures that the Council has a comprehensive toolkit to deal with poor conditions and issues around anti-social behaviour in all HMOs, thereby improving the living conditions for those residents in occupation and those who are affected by HMOs in the neighbourhood.

2.5. Planning policy has been developed by the Council to create 'mixed and balanced communities', which looks to limit the levels of HMOs in the sector so that there is a spread of sustainable and viable options for accommodation but despite all this the Council still have large numbers of HMOs in the PRS.

2.6. The problems associated with living in a HMO have been well documented over the years and are known to professionals working in the sector and the current spread of HMOs is not concentrated in one particular area and therefore the issues regarding this type of accommodation are widespread.

2.7. Partial licensing of HMOs would likely result in an increase of HMOs in areas which were not subject to licensing or covered by the Council's Article 4 direction and leave the Council with limited options for regulating these properties.

2.8. The full option appraisal document is provided at Appendix 4.

## **3. Consultation Approach and Strategy**

3.1. The approach to consultation is primarily governed by the provisions of the Housing Act 2004 and Government guidance (revised April 2010 & March 2015) which contains a statutory requirement to consult for a minimum period of 10 weeks on any proposals to designate an area subject to Additional Licensing.

- 3.2. A city-wide 12-week consultation commenced on 26<sup>th</sup> February 2024 and ended on 17<sup>th</sup> May 2024, which demonstrates that the Council has satisfied the legal requirement to take reasonable steps to consult with those people who may be affected by the designation. This included neighbouring areas outside of the City boundary.
- 3.3. A detailed consultation plan was provided in the Cabinet report approved on the 13<sup>th</sup> February 2024 setting out how the Council met these requirements. The consultation adopted a mix of communication channels. In summary these included:
- A dedicated Let's Talk page containing an online questionnaire tailored to gauge cross section of views on the proposals;
  - Focus groups with key stakeholder groups;
  - Drop-in sessions in various parts of the City;
  - E-communications through social media and the Council's website; and
  - Workshops with Landlords and Agents to present the proposals.
- 3.4. In total, the consultation generated 183 survey responses on the Council's Let's Talk page and a further 160 responses from the charity Acorn, who carried out their own independent case work. 214 people attended the various consultation event/workshops. 4 stakeholders were interviewed and 6 individuals or organisations responded with formal written submissions to the consultation.
- 3.5. Of the 160 responses to the online survey; 24 were from landlords and managing agents, 124 were from members of the public living in Coventry, 12 were from tenants of HMO's, with the remainder made up of other stakeholders.
- 3.6. Overall, 137 respondents either strongly agreed or agreed (105 strongly agreed and 32 agreed) that the Council should renew the Additional Licensing Scheme.

#### **4. Timetable for implementing this decision**

- 4.1. The proposed timetable for implementing the recommendations of this report is set out at Appendix 5.
- 4.2. As any Additional Licensing Scheme can only run for a period of 5 years this is in effect a new designation and as such the process is being implemented to ensure the continuous delivery of the first scheme. Once this designation comes into force it will also be subject to a statutory review and can only last a maximum of five years.

#### **5. Comments from the Director of Finance and Resources and the Director of Law and Governance**

##### **5.1. Financial implications**

Section 63 of the Housing Act 2004 permits the Council to require any application for a licence under Part 2 is accompanied by a licence fee and that this fee may properly cover all costs incurred by the Council in carrying out its functions.

When setting the fees and charges structure for the licensing scheme the Council can take account of the staff costs, training, administration and publicity, it is however not permitted to use licensing fees to raise revenue for other projects or areas of work.

The financial structure of the scheme has been designed to be 'cost neutral' to cover the costs mentioned above and to ensure that no General Fund Revenue is required to support the delivery of the scheme.

The European Union Services Directive 2006 changed the basis upon which fees for certain licences and permissions could be charged by the issuing authorities. In particular licensing authorities may not set fees that are dissuasive, and any fees must be reasonable and proportionate to the cost of the licensing process and the issuing of the licence. These provisions have been taken into account in setting the fees.

In addition, a judgement, in the Supreme Court (Hemming v Westminster case UKSC 2013/0146), has provided further clarification of the type of costs which may be taken into account when setting fees, and when fees may be payable. The council will continue to follow this decision and therefore fees will be payable in two parts to meet with the European Directive requirements.

The fees and charges structure will be reviewed periodically and published in advance of each change during the year. If there is a need to increase fees to cover any potential shortfall then this will be recommended and reported through the budget setting process.

The Council will aim to continue to structure the scheme in such a way that benefits those landlords and agents that are compliant and provides incentives to improve compliance, whilst managing the opportunities for the non-compliant through higher fees and shorter licences. This will be reflected in the fees and charges structure and the eligibility and length of licences.

## **5.2. Legal implications**

In April 2015, the then, Secretary of State for Communities and Local Government gave local authorities general approval regarding the approval steps for additional and selective licensing designations in England. When considering the introduction of an Additional Licensing Scheme the Council must proceed through the statutory process as laid out in Section 56 and 57 and the guidance issued under the Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2015.

Section 56 of the Act places requirements upon the Council when considering a designation for additional licensing of HMOs, in that the Council must:

- Consider that a significant proportion of the HMOs of that description in the area are being managed sufficiently ineffectively as to give rise, or likely to

give rise, to one or more particular problems either for those occupying the HMOs or for members of the public;

- Take reasonable steps to consult with persons who are likely to be affected and consider any representations made in accordance with the consultation and not withdrawn; and
- Have regard to any information regarding the extent to which any codes of practice approved under section 233 have been complied with by persons managing HMOs in the area (these codes relate to University managed accommodation).

Section 57 provides further considerations for the local authority in that they should ensure that:

- Exercising the designation is consistent with the authority's overall housing strategy;
- Seek to adopt a coordinated approach in connection with dealing with homelessness, empty properties and anti-social behavior affecting the private rented sector as regards combining licensing with other action taken by them or others;
- Consider whether there are any other courses of action available to them (of whatever nature) that might provide an effective method of dealing with the problem or problems in question; and
- Making the designation will significantly assist them to deal with the problem or problems (whether or not they take any other course of action as well).

The General Approval provides the condition that any consultation period for the proposed designation should not be less than 10 weeks.

The guidance for the General Approval also provides examples of properties being managed "sufficiently ineffectively" including:

- Those whose external condition and curtilage (including yards and gardens) adversely impact upon the general character and amenity of the area in which they are located;
- Those whose internal condition, such as poor amenities, overcrowding etc. adversely impact upon the health, safety and welfare of the occupiers and the landlords of these properties are failing to take appropriate steps to address the issues;
- Those where there is a significant and persistent problem of anti-social behavior affecting other residents and/or the local community and the landlords of the HMOs are not taking reasonable and lawful steps to eliminate or reduce the problems; and

- Those where the lack of management or poor management skills or practices are otherwise adversely impacting upon the welfare, health and safety of residents and/or impacting upon the wider community.

Part 2 of the Housing Act 2004 sets out the scheme for licensing HMOs in a local housing authority area. Under section 56(1) of the Act a local housing authority can designate the whole or any part or parts of its area subject to additional licensing. Where an additional licensing designation is made it applies to all HMOs specified in the designation.

## 6. Other implications

### 6.1. How will this contribute to achievement of the One Coventry Plan? <https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan>

**The One Coventry Plan 2022 - 2030** takes forward the main themes agreed by the Council in recent years. It reaffirms the Council's ambition of "Working together to improve our city and the lives of those who live, work and study here".

This ambition is driven through three corporate priorities which directly address the needs of the city:

- Improving outcomes and tackling inequalities within our communities
- Improving the economic prosperity of the city and regions
- Tackling the causes and consequences of climate change

**The Health and Wellbeing Strategy 2023 - 2026** recognises that where we live can have a significant impact on our wellbeing. Despite improving local housing systems, the city still has high levels of homelessness; highlighting a need to work together with partners to improve the use of existing homes and empty dwellings. Household overcrowding is more prevalent in Coventry than national and regional averages. Census 2021 counts 10,196 Coventry households as overcrowded, having fewer rooms than a minimum standard for the number of occupants. This amounts to 7.7% of all households, so overcrowding rates in Coventry are higher than West Midlands (5.4%) and England overall (6.4%). However, overcrowding has reduced since 2011 when it was at 9.5% of households.

**Housing & Homelessness Strategy 2019 - 2024** affirms the Council's view that housing is fundamental to the wellbeing of people, their families and their communities. Decent housing provides a stable base on which people can build their lives and build successful communities. Poor or unsuitable housing, however, can have negative impacts on many other areas of personal and community life as well as physical and mental health and wellbeing. If you do not have decent housing, everything else becomes much more difficult. Improving housing options, conditions and neighbourhoods within the City via delivery of this strategy is essential for economic growth, improving outcomes for children including their educational attainment, health and wellbeing, and community cohesion. The strategy plays a crucial role in ensuring decent homes, housing choice and support for Coventry citizens through various themes including:



**Support for people and communities** - Some communities are experiencing the impact of an increasing proportion of housing that is converted to multiple occupation, especially (but not exclusively) for student housing. Where HMOs are well managed and maintained, they provide an important housing option. However, where there is poor management and poor standards, this can have a detrimental effect on the occupiers and adversely impact on the local community.

**Improving the use of existing homes** - It is important to increase the number of homes to meet the City's growth needs, but the majority of housing available in the City is already in existence. There are approximately 142,000 existing homes in the City, compared to 24,600 additional homes to be provided over the life of the Local Plan (to 2031). The condition of the existing housing stock is important to ensure that residents are living in decent, safe accommodation which is suited to their needs. Rented homes must be well managed by landlords who meet their responsibilities, and tenants should understand their rights and their own responsibilities too.

**Improving outcomes and tackling inequalities within our communities**

Additional Licensing will together with other agencies, make communities safer and reduce crime and anti-social behaviour.

It will improve health and wellbeing by providing safer and healthier rented accommodation that is well managed with reduced overcrowding and will reduce health inequalities and protect the most vulnerable by improving the standard of poorly managed homes without the need to report problems. It will help prevent homelessness due to poorly managed or rogue landlord actions.

**6.2 How is risk being managed?**

6.3 A statutory consultation has been undertaken in accordance with section 56(3) of the 2004 Act. The consultation satisfied the requirements of the 2004 Act and the Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2015.

**6.4 What is the impact on the organisation?**

6.5 The approval of the recommendations has human resource and ICT implications. A restructuring exercise has been factored into the timeline for implementation to ensure that resources are in place should the recommendations of this report be approved.

**6.4 Equalities / EIA**

The report makes links to the Council's Equality and Diversity Policies and a specific Equalities Assessment has been completed for this report and is attached at Appendix 6.

**6.5 Implications for (or impact on) climate change and the environment?**

The option of “do nothing” considered in the option appraisal is likely to result in significant impacts particularly when the Council will otherwise have very limited ability to maintain and improve HMO conditions, for example: energy efficiency and thermal performance, waste management and household waste recycling.

## 6.6 Implications for partner organisations?

The effective operation of the consultation has enabled the Council to make clear and informed decisions about the future structure of the Additional Licensing Scheme in the City which will directly impact on the quality and management of HMOs in the PRS and on the co-existence of HMOs with local residents and communities.

### Report author:

#### Name and job title:

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Suzanne Bennett	Governance Services Co- ordinator	Law and Governance	1 <sup>st</sup> August 2024	1 August, 2024
<b>Names of approvers for submission: (officers and members)</b>				
Richard Shirley	Lead Accountant	Finance	24 <sup>th</sup> July 2024	26 <sup>th</sup> July 2024
Gill Carter	Solicitor	Law and Governance	24 <sup>th</sup> July 2024	27 <sup>th</sup> July 2024
Julie Newman	Director of Law and Governance	Law and Governance	24 <sup>th</sup> July 2024	1 <sup>st</sup> August 2024
Councillor A S Khan	Cabinet Member	-	24 <sup>th</sup> July	1 <sup>st</sup> August

	for Policing and Equalities		2024	2024
Councillor D Welsh	Cabinet Member for Housing and Communities	-	24 <sup>th</sup> July 2024	30 <sup>th</sup> July 2024

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# Coventry City Council Consultation on Additional Licensing of HMOs



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## Executive Summary

This report presents the findings of the statutory consultation carried out by Coventry City Council's in relation proposals to introduce a new city-wide additional licensing scheme requiring all Houses in Multiple Occupation (HMOs) in Coventry to be licensed.

The consultation ran for 12 weeks from 26<sup>th</sup> February 2024 to 17<sup>th</sup> May 2024 and sought to gather views on the proposals, including the proposed licensing conditions, fee structure, and alternatives that the Council could consider.

The consultation also looked at respondents' experiences of HMOs, accommodation and maintenance of private rented properties in the city.

A variety of consultation methods were used to allow interested parties to share their views on the proposals. These included an online survey, a dedicated landlord's forum a landlord's focus group and an agent's focus group and 18 ward drop-in sessions throughout the city.

The Council promoted the consultation extensively through various communication channels, both within Coventry and beyond, to encourage landlords, tenants, agents, residents, businesses, and other interested parties to get involved.

In total, the consultation generated 183 survey responses. 150 people attended the landlord's forum, 12 people attended the landlord /agent's focus group and 3 individual organisations responded with written submissions to the consultation.

## Background

The increase in the size of the Private Rented Sector (PRS) has been the most significant change in Coventry's housing market in the last ten years. A number of market factors such as house prices, high demand and an increased population have resulted in an increased growth of HMOs with the current predictions suggesting there are now circa 6,800 HMOs. Alongside this growth, Coventry has noted an increase in the prevalence of problems such as poor property conditions and poor management, with correlations to smaller HMOs that do not fall under the statutory mandatory licensing scheme.

Coventry Council is considering introducing a new city-wide additional licensing scheme, which will cover smaller HMOs, which do not fall under the existing Mandatory licensing scheme as well as those HMOs known as s.257 HMOs (converted blocks of flats)

Before making any decision, the Council undertook a consultation exercise to gather views, in particular from landlords, private tenants, agents, residents, businesses and organisations.

## Proposals

Coventry City Council is proposing to introduce a new city-wide additional licensing scheme of HMO properties that are privately rented, where 3 or 4 non-related tenants share an amenity, such as a bathroom or kitchen. The proposal also covers Section 257 HMOs, which is a house that is converted into block of self-contained flats where the standard of the conversion does not meet the relevant building standards (Building Regulations 1991) and where fewer than two-thirds of the flats are owner-occupied. Finally, the scheme will also include purpose-built student accommodation run by private providers where students live in “cluster” flats where the accommodation is not managed and controlled by educational establishments.

Under the scheme, landlords of HMOs that fall under the remit of the scheme will be required to obtain a licence to rent out their property (excluding properties falling within certain exemption criteria). Landlords will be charged an associated fee for registration and the scheme will run for a five-year period.

The consultation focused on the degree to which respondents agreed or disagreed with the proposal to introduce the additional licensing scheme, as well as views on the proposed licence fee structure, and conditions. It also looked at respondents’ views of HMOs in the city and experiences of issues in their accommodation.

## Public consultation

The approach is primarily governed by the provisions of the Housing Act 2004 and Government guidance (revised April 2010 & March 2015) and contains a statutory requirement to consult for a minimum period of 10 weeks on any proposals to designate an area subject to Additional Licensing. The public consultation took place over a 12-week period starting on 26<sup>th</sup> of February 2024 and concluding on the 17<sup>th</sup> of May 2024. This included neighboring areas outside of the city boundary. An online survey was used as the principal method of consultation, and an email address was also provided to gather any written comments or feedback. In summary the consultation methods included the following:

- A dedicated Let’s Talk page containing an online questionnaire tailored to gauge cross section of views on the proposals;
- Consultation with key stakeholder groups i.e. Landlords, Agents, Tenant, Residents and other key organisations such as the Police;
- Drop-in sessions in various parts of the city;
- E-communications through social media and the Council’s website; and
- Workshops with Landlords and Agents to present the proposals.



## Communication channels

The survey was promoted by the Council to interested parties within the city, such as landlords, agents, tenants, residents, local businesses and third sector organisations. It was also promoted to parties in neighbouring Local Authorities. The Council sent out emails to all its accredited landlords to help spread the word far and wide and collaborated with local partner organisations and other internal departments to promote the consultation.

A full list of all activities taken to promote the consultation is below:

**Table 2: Communications activities (within Coventry)**

Communications	
<b>Direct marketing</b>	<ul style="list-style-type: none"> <li>• Leaflet advertising consultation distributed to tenant's properties which were being inspected as part of current additional HMO licensing scheme.</li> <li>• Email to 22 residents' groups - 1<sup>st</sup> March 2024</li> <li>• Email to 5,217 landlords - 21<sup>st</sup> February 2024 &amp; 11<sup>th</sup> April 2024.</li> <li>• Email to 128 managing agents - 21<sup>st</sup> February 2024 &amp; 4<sup>th</sup> April 2024.</li> <li>• Email to the local Citizens' Advice Bureau via the frontline network - 15<sup>th</sup> March 2024 &amp; 29<sup>th</sup> April 2024, who agreed to promote to their clients, which equates to 300 people and over 60 agencies.</li> <li>• Email to Acorn Community Union - 21<sup>st</sup> March 2024</li> <li>• Email to surrounding Local Authorities – 19<sup>th</sup> March 2024</li> <li>• Coventry Landlord Forum held - 13<sup>th</sup> March 2024 in conjunction with the NRLA.</li> <li>• Internal stakeholders focus group – 3<sup>rd</sup> April 2024</li> <li>• Landlord seminar and focus group – 15<sup>th</sup> April 2024</li> <li>• Agent seminar and focus group – 24<sup>th</sup> of April 2024</li> </ul>
<b>Press &amp; Media</b>	<p>Press release was distributed on 6<sup>th</sup> February 2024 to Local, and National press.</p> <p>Media coverage received:</p> <p><a href="https://www.coventry.gov.uk/news/article/4884/improving-the-way-houses-in-multiple-occupation-are-managed-in-coventry">https://www.coventry.gov.uk/news/article/4884/improving-the-way-houses-in-multiple-occupation-are-managed-in-coventry</a></p> <p><a href="https://btinsider.co.uk/article/19608/coventry-city-council-aiming-to-launch-consultation-to-renew-additional-licensing-scheme-for-hmos">https://btinsider.co.uk/article/19608/coventry-city-council-aiming-to-launch-consultation-to-renew-additional-licensing-scheme-for-hmos</a></p> <p><a href="https://www.coventrytelegraph.net/news/coventry-news/coventry-hmo-consultation-set-launched-28580562">https://www.coventrytelegraph.net/news/coventry-news/coventry-hmo-consultation-set-launched-28580562</a></p> <p><a href="https://coventryobserver.co.uk/news/coventry-news-have-your-say-in-bid-to-tackle-issues-with-coventry-hmos/">https://coventryobserver.co.uk/news/coventry-news-have-your-say-in-bid-to-tackle-issues-with-coventry-hmos/</a></p> <p><a href="https://www.coventrysociety.org.uk/2024/02/23/consultation-on-extended-hmo-licensing-scheme/">https://www.coventrysociety.org.uk/2024/02/23/consultation-on-extended-hmo-licensing-scheme/</a></p>

	<p><a href="https://thenegotiator.co.uk/news/boom-in-licencing-schemes-to-continue-as-councils-crackdown-on-rogue-landlords/">https://thenegotiator.co.uk/news/boom-in-licencing-schemes-to-continue-as-councils-crackdown-on-rogue-landlords/</a></p> <p><a href="https://www.landlordzone.co.uk/news/big-city-reveals-details-of-huge-landlord-licencing-plans">https://www.landlordzone.co.uk/news/big-city-reveals-details-of-huge-landlord-licencing-plans</a></p> <p><a href="https://www.nrla.org.uk/events/meetings/6160">https://www.nrla.org.uk/events/meetings/6160</a></p>
<b>Digital</b>	<ul style="list-style-type: none"> <li>• Information made available on the Council’s website for the entire consultation period through a dedicated webpage “Let’s Talk”.</li> <li>• Four digital newsletters dedicated to the consultation sent to landlords and agents between 21<sup>st</sup> February 2024 &amp; 4<sup>th</sup> April 2024</li> <li>• Promotions on 30 screens in three Council buildings</li> <li>• Promoted for 11 weeks using digital screens and social media</li> <li>• Social messages published to 120,000 followers</li> <li>• 11,000 reach on social posts</li> <li>• 14,000 impressions on social posts</li> <li>• Advertisement on the council’s staff intranet news board</li> <li>• Email signatures containing a banner publishing the consultation and containing a QR code link to the survey.</li> </ul>

The promotional work undertaken in relation to the scheme can be seen in appendix 1.

### Views from the public meetings

Feedback was also gathered via public meetings. Many of the participants were landlords or came from this perspective. Some of the key points from these sections within the report are summarised here.

- Several landlords felt that not enough was being done to tackle rogue landlords and wanted to the Council to take more action against those who break the law.
- Many landlords felt that the compliance checks were very helpful to them and asked for more detailed feedback be given, for example in why they had passed their checks or further improvements that they may want to consider.
- Some landlords felt there were inconsistencies in the inspections between the different EHO’s, with one landlord stating that different EHO’s asked for different things within the property.
- A common concern raised by landlords was that it takes too long to receive their licence.
- Several landlords stated that they were confused about the Council’s Article 4 direction and that they had not been provided with enough information.
- Can the Council consider the pricing for the HMO licenses for more than 1 house.

For example, I have 10+ houses, if you assigned us to one inspector, we could do all the houses in one go and that would save numerous different appointments and meetings.

- Disappointed with licence time as property currently empty and was penalised for applying late.
- Expensive, takes a long time
- Representatives from residence association very supportive of scheme

## Stakeholder views

A landlord's focus group was held on the 15<sup>th</sup> of April 2024 in which a presentation was delivered on the proposed scheme, followed by a questionnaire aimed at seeking the attendees' views on certain aspects of the scheme as follows:

***To what extent do you agree or disagree that the current licensing scheme has been effective in improving the condition and management of privately rented properties in Coventry?***

Agree – 38%

Disagree – 0%

Not sure – 62%

*Additional comments:*

*“Helps improve rental homes”*

*“The Licensing scheme can better regulate housing standards and help improve housing safety”*

*“Not aware of the impact that the current scheme has had”*

***As part of the HMO licensing process one of our Environmental Health Officers will carry out an inspection of your property to ensure it is suitable to be occupied as an HMO and inform you of any improvements needed - As a landlord or Agent does this give you peace of mind of knowing that the property is safe and suitable for your tenants and that you comply with legislation?***

Yes – 100%

No – 0%

*Additional comments:*

*“This is great, the issue from time to time is the delay in being able to get an inspection”*

***If the current licensing scheme ended after the current 5-year term and was NOT continued do you think this would have any impact on your local area?***

Yes – 100%

No – 0%

*“It would encourage unscrupulous landlords”*

*“I think the licensing scheme should continue; the local area will become messy if there is no*

licence scheme”

**Are there any other things you think the Council should consider to improve the condition and management of privately rented properties in Coventry?**

Comments:

Several commented “no”

“How are the Council intending to find and deal with offenders who are not licensed? Sometimes it feels as though it is the ones trying to maintain compliance are negatively affected and the non-compliant landlords go under the radar”

“Don’t have enough experience as a landlord in Coventry to comment”

“I think the Council should provide more bins to HMO’s”  
“Training and education should be mandatory”

If the current licensing scheme ended after the current 5-year term and was not continued, do you think this would impact on your local area?

**The Council is seeking views as to whether it should renew the additional licensing scheme in 2025, which again would include all HMOs within the city - are you in favor of renewing the scheme?**

Yes – 88%

No – 12%

“This would be good for honest landlords and will drive out the rogues”

“Licensing is very worthwhile, so long as it is used to assist those landlords who are working to be compliant and pushing only those who are not. It is important not to just charge landlords who are being compliant and missing those that hide from the system and give us all a bad reputation”

“A licence provides standards which will be a positive in the long run. I would like the Council to be understanding of the constraints that landlords have such as size of rooms etc”

## Written responses

In total, 6 written responses were provided from various stakeholders, namely landlords, the university, a tenant support group, tenants and a landlord representative association. The verbatim responses can be seen in appendix 2.

**Tenant** - I think the service is excellent, I live in a HMO and the officer that inspected my room was very professional and friendly. Because of the licensing scheme my landlord has had to make some improvements to the house we live in so it’s better to live in now.

**Landlord** - I am wondering if you can consider the pricing for the HMO licences for more than 1 house. For example, I have 10 houses, If you assigned us to one inspector, we could do all the houses in one go and that would save 11 different appointments and meetings. It would guarantee consistency across the houses and it could be one report. This would be a great saving for you and hence it could be reflected in my price.

As you can appreciate my costs have gone up considerably – finding tenants, utility bills, moving-out-cleaning bills, gardening, monthly inspections (which includes cleaning the really dirty areas such as toilets, sorting out drains, trying to encourage tidiness and looking after rubbish, checking the use of the beds, checking for wedged doors, the usual alarm and CO monitor checks etc) as well as the usual maintenance costs of all houses like replacing washing machines etc, repairs, painting and more.

**Landlord** - Due to the arduous requirements of the HMO licensing scheme, and additional costs, landlords like myself have moved from 3 or 4 person student lets, to 2 person family lets. This shift means Coventry would require 100 - 200% more homes in order to accommodate the same number of people. Regulation such as the licensing scheme increases compliance costs for compliant landlords, and offers no consequence to non-compliant landlords, who will continue to overcrowd houses and take payment in cash. This scheme does not achieve the objective of improving housing. Currently HMO enforcement is not working. Someone was murdered on the doorstep of one of my properties. They were murdered by a tenant of the HMO next door. Despite reporting this, Coventry council have allowed the HMO and those who occupy it to continue ruining the neighbourhood. This demonstrates that despite unfairly targeting the wrong people to raise funds, the problem is still not being solved. Consider differentiating between Student Lets and those undesirable HMOs types where drug addicts and criminals fester. Regulation already exists such as gas safety checks and electrical checks that can be used to ensure good quality housing without the need for licensing schemes. A cynic would suspect this is in fact a cash-grab due to the systemic underfunding of local councils, but that discussion is outside the scope of this email.

**Landlord association** – In summary, the landlord association recognises the need for a healthy private rented sector to compliment other housing in the area but feels that their members lack the experience to tackle some of the burdens placed upon them via the conditions of their licences, such as anti-social behaviour and waste management They specifically request that the Council consider a free low cost service for waste removal, which would help deal with excess waste at the end of tenancies. The association believes the Council already has a wealth of enforcement powers to tackle poor standards in private rented sector and therefore does not agree that the renewal of the additional licensing scheme is the most effective approach to tackling the problems within the sector.

**University** – The university is fully supportive of Coventry's Additional Licensing Scheme and believes that high quality housing is fundamental to the success of the city. They have welcomed the Additional Licensing scheme's contribution to supporting their students. They recognize the part that Additional Licensing has played in ensuring HMOs are managed properly, with basic standards of safety and provision and that without it, hundreds more properties would not have achieved minimum standards nor had engagement with the Council to ensure property managers are 'fit and proper'. As a result of the scheme, the university have noted a reduction in neighbor complaints about students involving noise, rubbish, housing disrepair and other anti-social behaviour.

**Acorn Tenant support group** – The group feel that the scheme could be better and has not yet achieved its goal of ensuring that properties are sufficiently efficient. The

group have suggested that whilst the private-rented sector remains as large as it is, is to apply landlord licensing regulations equally to all private landlords instead of only HMO landlords. They believe the Council has proven it can operate a city-wide HMO landlord licensing scheme and now call on the Council to operate a city-wide licensing scheme for all landlords. However, they would like to see more pro-active enforcement of the licence conditions, more inspections after the licence has been issued. On the whole the group have stated their support for wider licensing for all landlords and would also suggest that there should be clearer paths to redress for tenants who find themselves in dispute with their landlord, in particular access to reporting on landlords and access to legal aid should they find themselves in dispute and/or mediation.

In addition to providing an organizational response Acorn also undertook their own outreach work to gauge opinion on Additional HMO Licensing Scheme in Coventry. To do so they set up four public stalls, carried out a door knocking exercise and undertook outreach work with community groups. This resulted in 160 responses from residents in Coventry who were very supportive of the Council's proposal to renew the Additional Licensing Scheme. Of those surveyed 32 were tenants of HMO's and had experienced various issues, such as difficulties getting repairs undertaken and in some instances fear of eviction for reporting such repairs. The majority of the respondents were residents living close to HMO's, 140 in total, and they experienced issues relating to general poor management from landlords, such as waste in gardens and general poor maintenance.

### **Let's Talk Online Survey**

An online survey was hosted on the Council's Let's Talk Coventry webpage for 3 months, which was visited by 799 people with over 360 people downloading at least one document. As well as this drop in sessions were held across the whole city, at least 1 session held in each of the 18 wards.

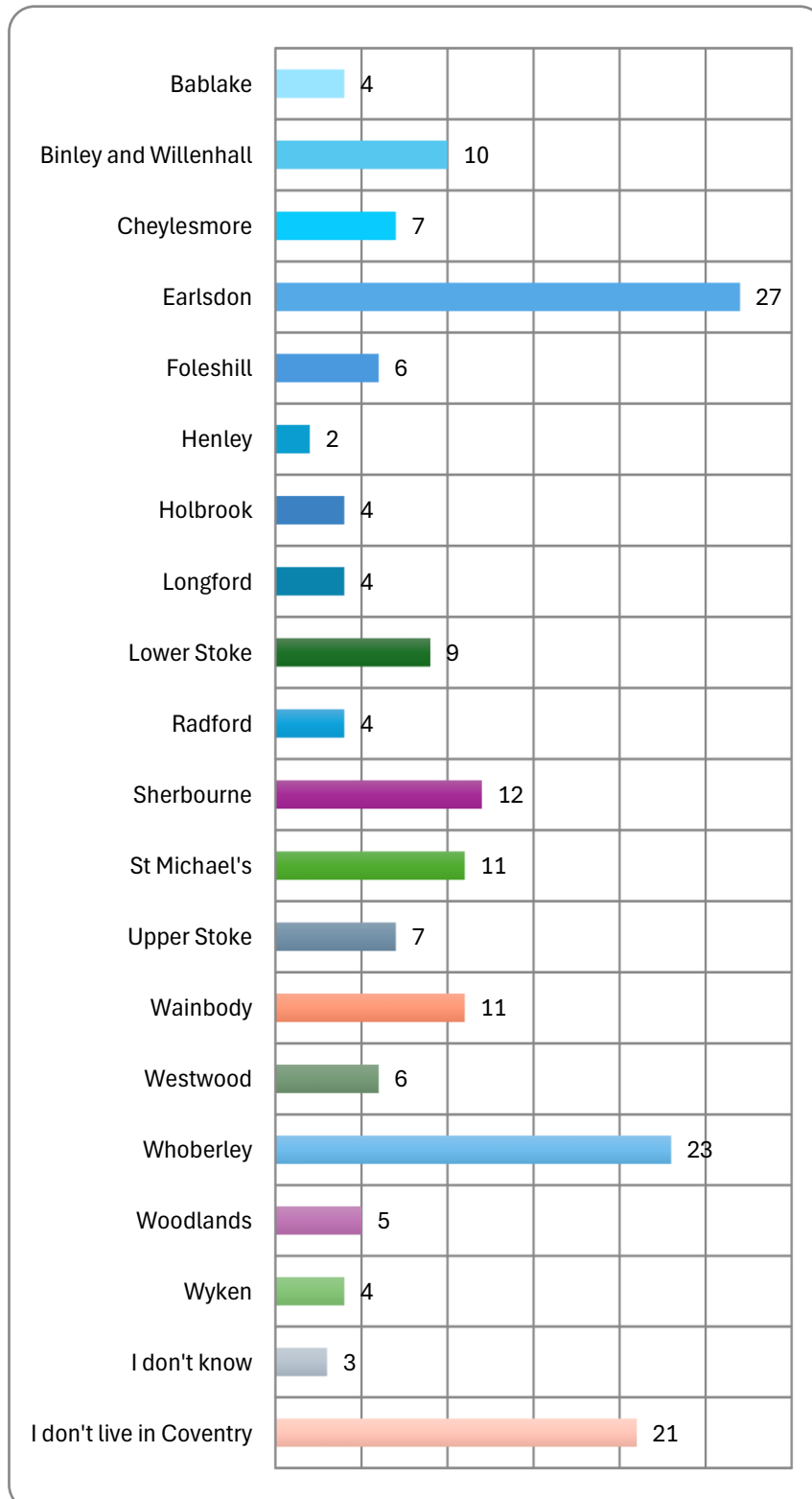
The survey elicited over 200 comments which are summarised as follows, with full list of comments and the Council's response to each being contained in appendix 3:

- The majority of responses were received from respondents who live in Coventry.
- Most responses were received from Earlsdon and Whoberley.
- Respondents who did not live in Coventry, lived in various locations, Warwickshire County Council area and areas around London.
- The majority of respondents were responding as members of the public (77%), followed by landlords (15%)
- 78% of respondents were aware that Coventry has introduced an Additional Licensing Scheme
- Difficulties getting repairs done and lack of contact with the landlord/agency were the most cited issues of people who lived in a HMO although numbers were

- People that live in Coventry have experienced issues from HMOs mainly being poorly managed refuse, overgrown gardens and poor external appearances of properties.
- The statements that received most disagreement were that additional licensing in Coventry has dealt with the problems associated with HMOS or helped reduced anti-social behaviour.
- 48% agree that the current licensing scheme has been effective in improving the condition and management of privately rented properties in Coventry. 32% disagreed that the scheme has had an improving effect with a further 1 on 5 (20%) not sure.
- 70% of respondents felt that if the scheme was not recommissioned it would have a negative impact on their local area, compared to 10% of respondents thinking it would have a positive impact.
- Three quarters of respondents 75% agreed with the renewal of this scheme (58% strongly agreeing).
- 17% were in disagreement with the renewal of this scheme (13% strongly disagreeing)
- Those that were in disagreement with the renewal felt that the Council does not punish rogue landlords enough and that the process is too bureaucratic and that good landlords are not recognised
- There was overall agreement with both the proposed licence length and the licence conditions.
- In the open ended comments a number of respondents felt that the same standards should apply for all length of licenses, poor landlords should incur penalties and there should be a cap in the number of HMOs in any one area.
- Also there was a strong feeling that all landlords should be regulated not just HMOs.
- Just over a third 34%) of respondents were aged 44 and under. 48% were female.
- 67% were White British. 18% stated they were disabled.

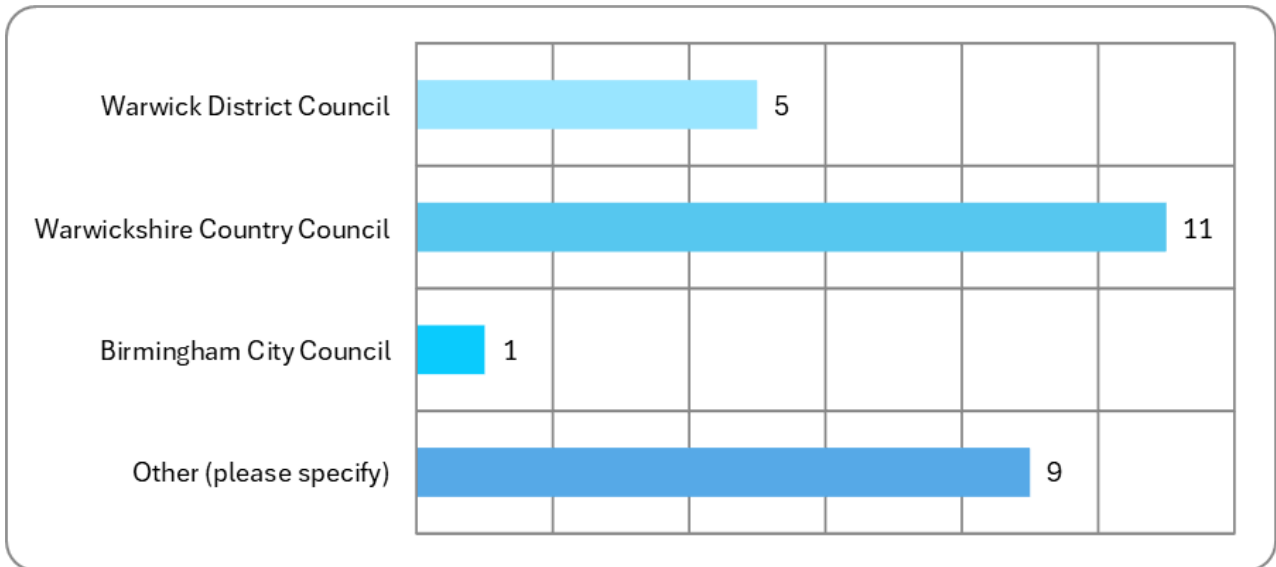
## Survey findings

Looking at respondents from Coventry, most were from Earlsdon (27), followed by Whoberley (23)





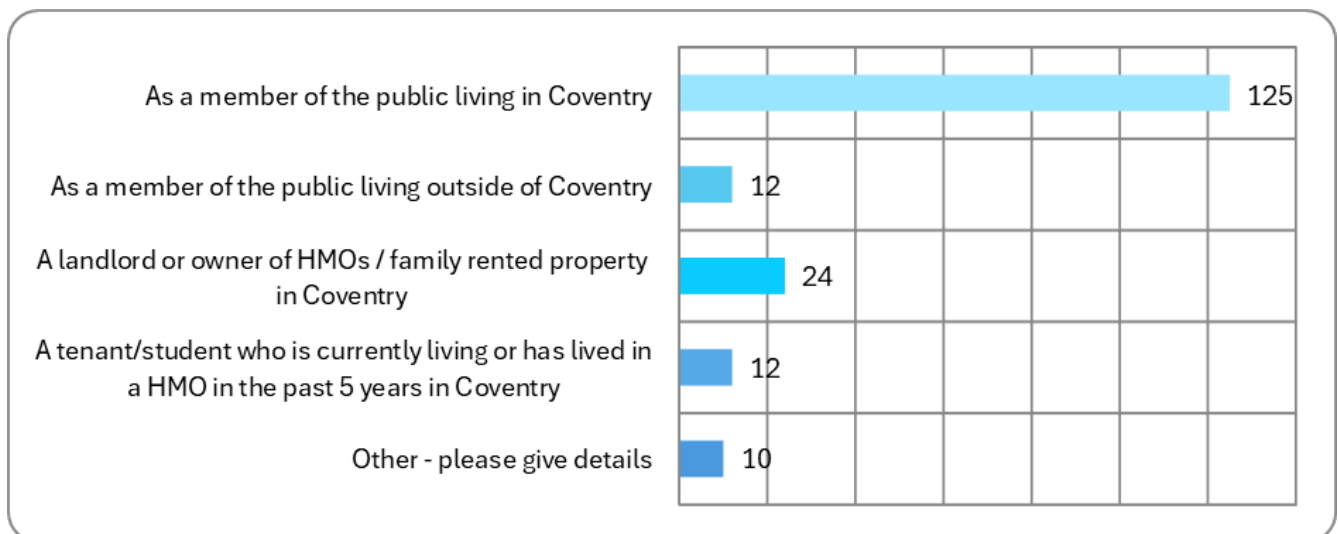
The following revealed that some of the respondents did not live in Coventry and the majority of respondents who stated other location were from London and the surrounding area. Other areas stated were Leicestershire, Nottingham and Wakefield.



### Who was responding to the survey?

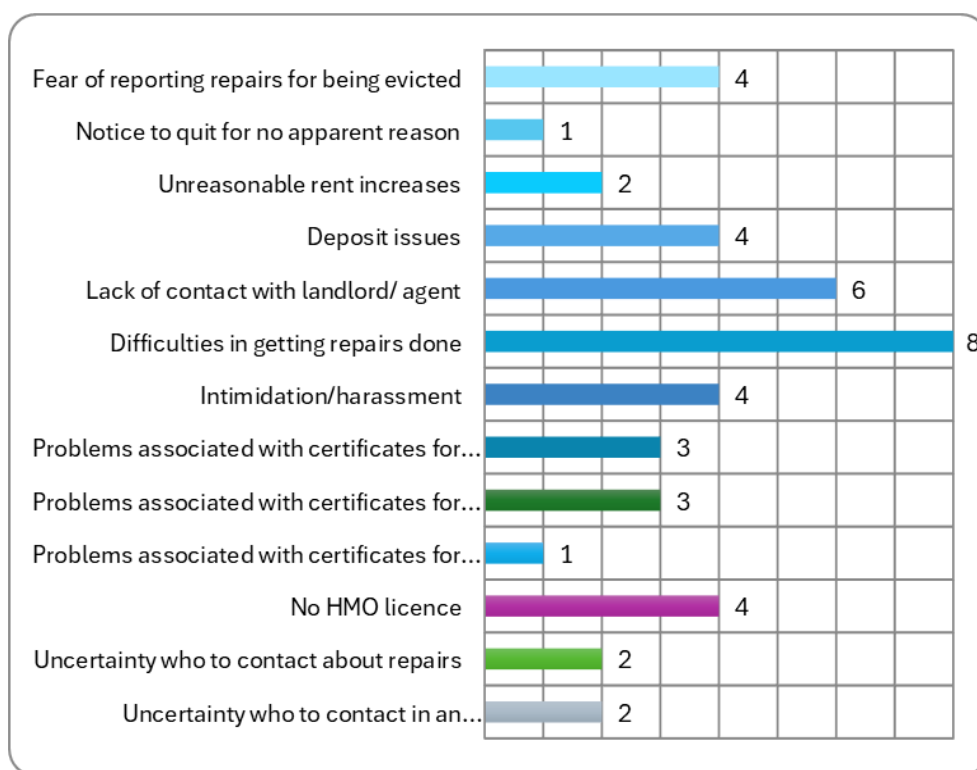
The majority of respondents are responding as members of the public that live in Coventry (125), that is 77%. The next largest category is landlords (24) at 15%.

Those that stated other were predominantly representatives of charities that work in relation to housing, as well as a consultant on fire risk assessment.



## Issues experienced by people who have lived in HMOs in Coventry

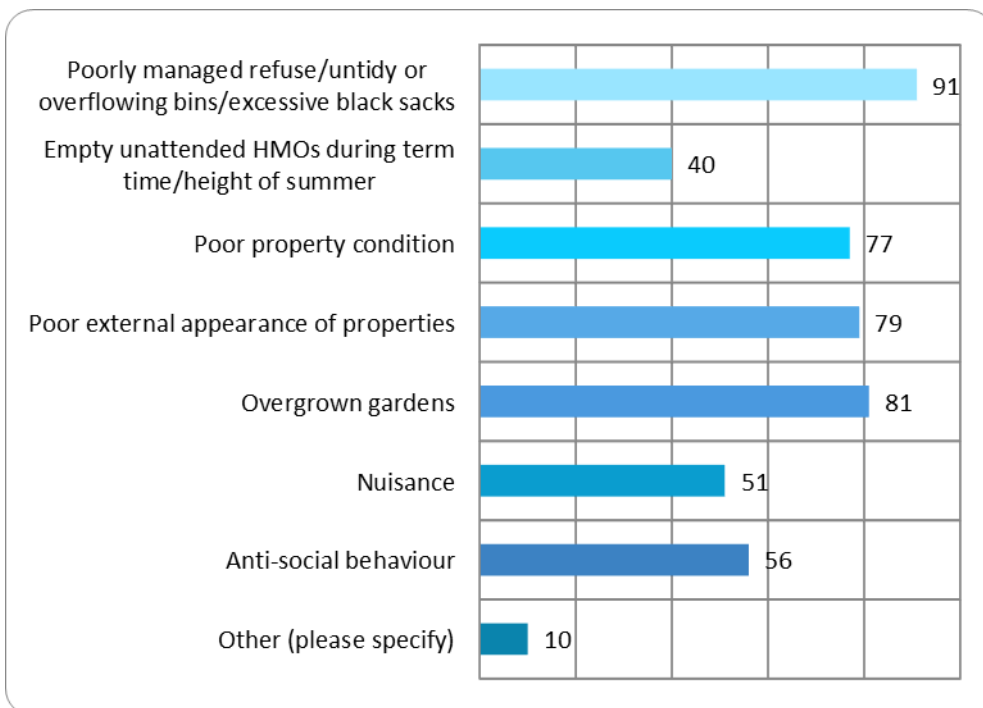
Only 12 respondents stated that they are living or have lived in a HMO. So, the numbers are small but the main issue appears to be difficulties in getting repairs done.



## Issues experienced by people who have live in Coventry relating to HMOs

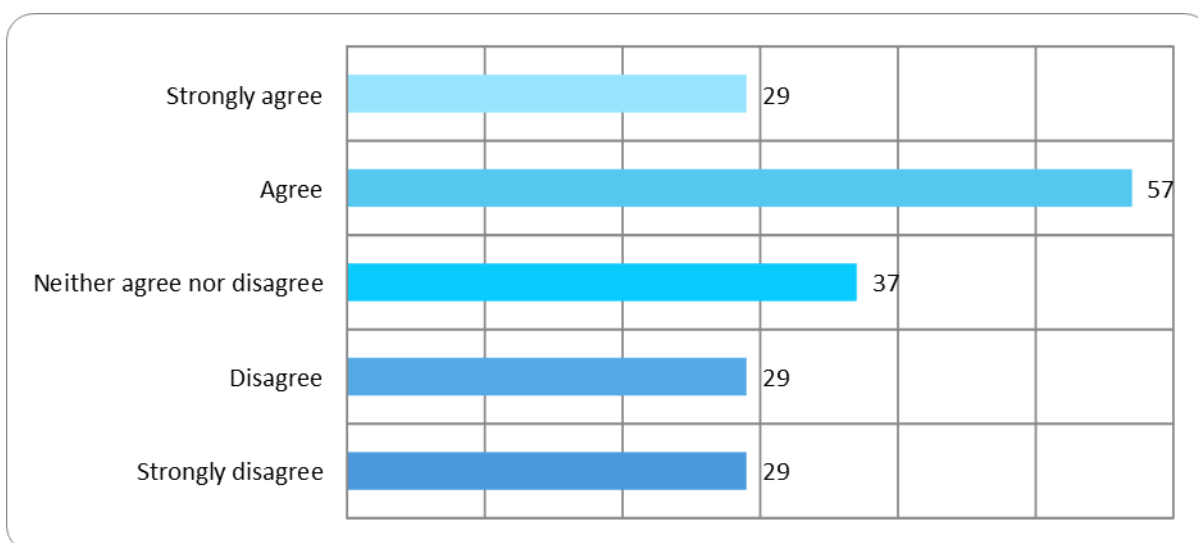
- The main issues were poorly managed refuse, overgrown gardens and general poor appearance and property conditions.
- Other problems stated were:
- Dangerous and un-maintained wiring.
- Excessive parking, complete drain on resources with "families" living in them paying no council tax claiming they are students.
- Damage to my own property by poorly executed property maintenance on the adjacent HMO
- Nothing at present
- Residents or visitors of HMO's obstructing our driveway
- So much crack
- Conversion to HMOs without or with inaccurate planning permission.
- Leaving glass bottles on 2 of our luxury cars (range Rover autobiography's)
- Too many cars

- Aggressive and threatening behaviour from landlord - reported to police



### Views on whether the scheme been effective in improving the conditions and management of properties in Coventry

48% of people agree that the current licensing scheme has been effective in improving the condition and management of privately rented properties in Coventry. 32% disagreed that the scheme has had an improving effect with a further 1 on 5 (20%) not sure.



**If the current licensing scheme ended after the current 5-year term and was NOT continued or the scheme was reduced to only operate in certain areas of the City, do you think this would have any impact on your local area?**

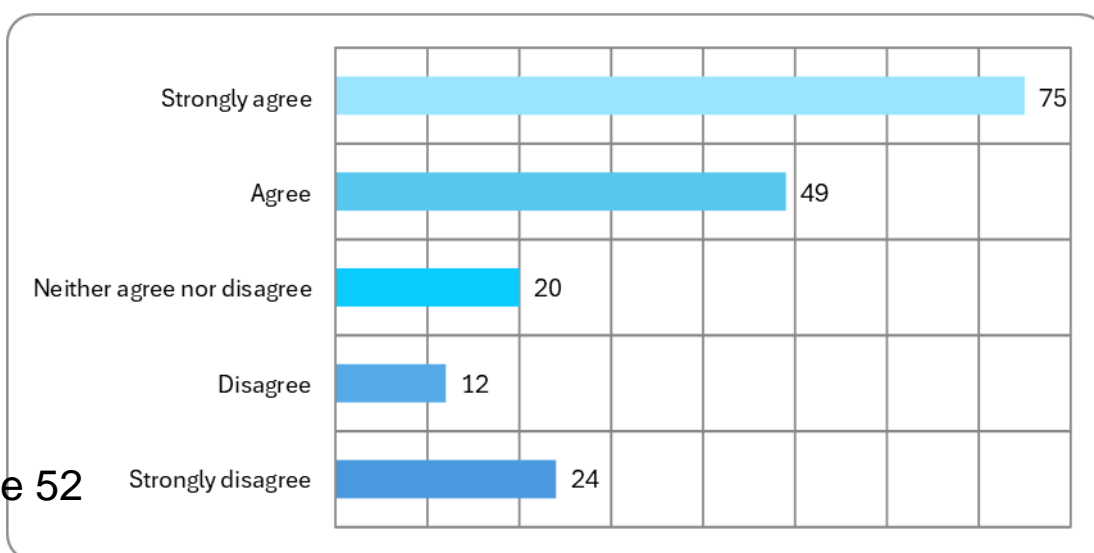
70% of respondents felt that if the scheme was not recommissioned it would have a negative impact on their local area, compared to 10% of respondents thinking it would have a positive impact.

Statement	Number	%
There would be a negative impact on my local area	125	70%
There would be a positive impact on my local area	18	10%
There would be no impact	19	11%
Don't know	17	9%

**Respondents were asked if they agree or disagree that the continuation of the Additional Licensing would improve or further improve the condition and management of private tented properties in Coventry**

69% of respondents were in agreement that continuing the licensing scheme would improve conditions of rented properties.

20% were not in agreement and a further 11% were not sure.



**Respondents were asked if they think there were any alternatives to HMO licensing that would enable the Council to address the issues identified earlier that they might consider instead, or together with a licensing scheme.**

**The open comments were themed:**

<b>Theme</b>	<b>Number</b>
Stricter Licensing/Needs continual review	35
Too many HMOs	15
Need more affordable housing	10
Council does not support landlords/ too bureaucratic	8
Need to have contact details/compulsory register	7
Students	6
Landlords need to be accountable	4

The majority of comments were around the need for the licensing process to be properly enforced. There was also a large number of respondents who felt that the licensing scheme should be applied to all private landlords.

- General inspections of rental properties rather than concentrating on just HMOs would be preferable
- I am a HMO landlord and I have licensed my properties now and I am grateful for the help and support the licensing officers have provided. My property wasn't perfect but I know what I need to do now they have completed the inspection. I think the Council should also look at privately rented properties that are not HMOs as there are a number of these in the streets where I have my HMOs that are not being looked after by the landlords and nothing is being done about it.
- As a community union representing working-class voices we believe all housing providers – especially private, for-profit landlords – should be regulated and held accountable for failures in housing standards. From this position, we naturally agree with the council's stated purpose of the scheme: to "alleviate the housing situation by setting and maintaining minimum standards across the city in the most vulnerable sector of Coventry's private rental market".

**There was agreement that there are too many HMOs in Coventry**

- There should be a limit on the number of HMOs in any one street or any one area so that there is a fair distribution throughout the city.
- Inner city areas should be banned from HMOs, we have under utilised student accom blocks that need filling.

**The need for more affordable housing was raised.**

- HMO's are just a means for landlords to make more money. Why charge £850 per month for a house when you can get four times that amount! The council

need to wise up and ban HMO's in Coventry as they are a blight on the surrounding area. What people need is affordable social housing not thousands of new 4 bedroom houses on green fields.

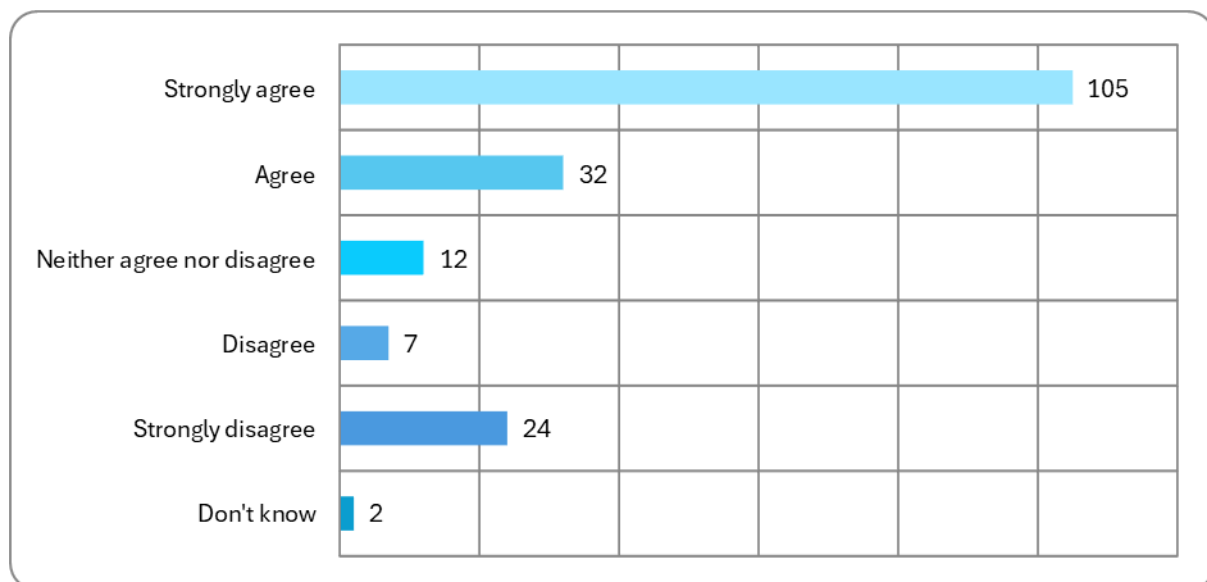
**Other issues were the bureaucracy and waiting lists that are involved with the licensing process and a number of respondents suggested the need for an openly available register.**

- The solution to tackle rogue landlords is more resources for enforcement, and judging by the 3 years it takes for an application to be approved, the council clearly does not have enough officers to carry out enforcement action.
- Compulsory register of all properties that are rented out.

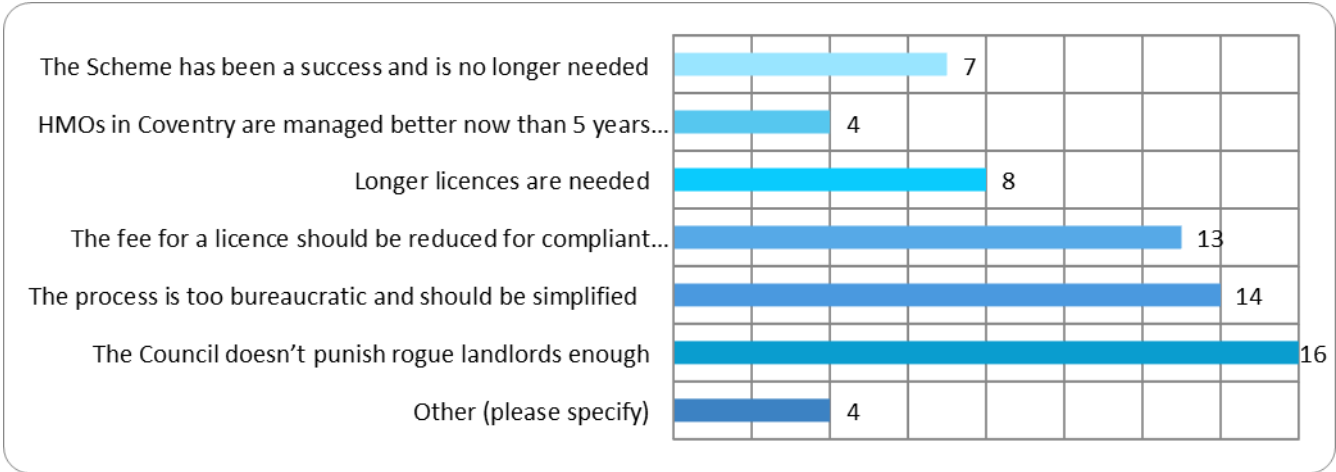
**The survey asked respondents whether it should renew the Additional Licensing Scheme in 2025 and again include all HMO's within the city.**

Three quarters of respondents 75% agreed with the renewal of this scheme (58% strongly agreeing).

17% were in disagreement with the renewal of this scheme (13% strongly disagreeing)

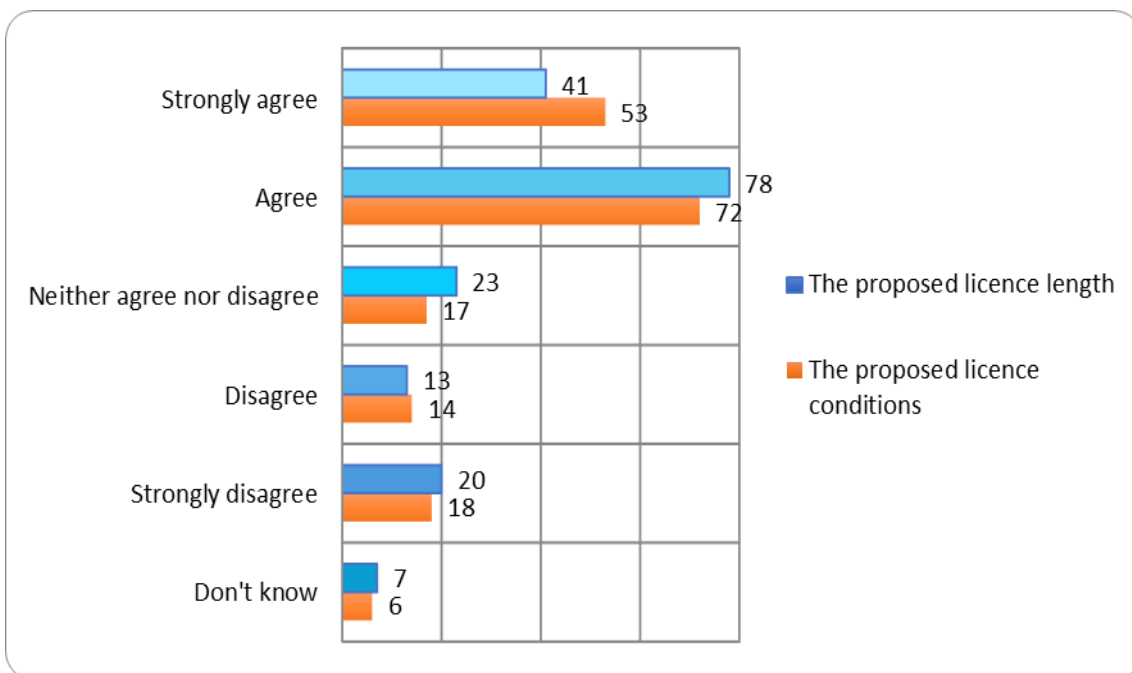


Respondents who disagreed with the renewal of the scheme were then asked, which of the following reasons did they agree with. The majority of respondents felt that the Council does not punish rogue landlords enough and that the process is too bureaucratic and that good landlords are not recognised.



**The survey asked respondents if agreed or disagreed with the proposed licence lengths and conditions.**

There was overall agreement with both the proposed licence length and conditions



**Respondents expressed the following views on the proposed licensing conditions:**

Theme	Number
Clear standards/same for all licences	20
Conditions	10
Penalties	8
Cap on number of HMOS	4
Consistency	3

There was overall agreement with both the proposed licence length and conditions

- “The standard licence should be 5 years or longer. The use of a single-year licence is expensive and penalises good landlords while not being effective at stopping bad ones”.
- “I think that, regardless of length, there should be the same conditions as for a 5-year license, as this would ensure that all landlords of HMOS maintain a decent standard of living for their tenants (especially with students)- I can see landlords taking advantage of the 1-year having less requirements”.
- “Under all the licence length periods there should be 6 monthly inspections by council HMO officers PAID for by the landlords, therefore self financing staff positions”.

**Many respondents commented on the need for landlords to display information on refuse collections etc and that these should be part of the conditions in the licence.**

- “Many issues within HMO's which affect neighbouring properties and communities should be managed/coved by HMO licencing conditions. Items such a gardens and refuse and general kerbside appeal as these issues can greatly affect neighbours and communities!.
- "The licensing conditions need to include more things which would additionally improve tenants' quality of living, including:
  - 1) Taking action against cases of damp and mould.
  - 2) Helping tenants control humidity, for example by requiring extractor fans be fitted with humidistat sensors.
  - 3) Making sure that tenants have access to homes which are energy efficient, for example by requiring landlords take steps towards working to obtaining at least EPC band C ratings on their properties over the next 4 years.
  - 4) Requiring landlords to sign up to the Housing Ombudman scheme.

Page 56 • Tenants need to be made aware of what the licensing conditions are and they need a way of being able to easily report when the landlord has failed to meet them."



### **Poor landlord should incur penalties**

- “Heavy fines on recurring offenders who do not manage tenants properly - or those who own hmos should contribute financially to local services and community projects where the locals has been negatively affected by too many hmos”.
- “Poor landlords should not be given a licence if they cannot look after their properties correctly”.

### **There should be a cap on the number of HMOs in any one area**

- “There has to be an maximum amount that one area/street can have HMOs. Every other house in my street in now an HMO. There are no family properties left. The road is full of rubbish, bins over flowing, issues with parking, houses in poor condition”.
- “Can there be some aspect of zoning where new licences are not being granted as there is already a large number of HMOs”

### **Finally the issues of consistency was raised**

- “I would like to see more consistency with inspectors”

### **Landlords were asked if they would be interested in signing up to the Council’s Landlord Accreditation Scheme if it meant that they would get a discount on licensing fees?**

28 respondents stated they would be interested in signing up to Coventry Landlords Accreditation Scheme.

### **Tenants were asked if they would be more likely to move into a property with a landlord or managing agent who has signed up to the Council’s Landlord Accreditation Scheme?**

54 respondents which is 88% said they would be more likely to move into a property that is signed up to Coventry Landlords Accreditation Scheme

## Finally, respondents were asked if there are any other things they think the Council to improve the condition and management of privately rented properties in Coventry?

All the open-ended comments have been themed manually. The table below shows the themes and the number of comments received per theme.

Theme	No
Enforcement	23
All Landlords	17
Restrict number of HMOs	11
Tenants	8
CLAS	5

## Finally, respondents were asked if there are any other things they think the Council to improve the condition and management of privately rented properties in Coventry?

- “A large number of comments related to the need for enforcement and regular checks on properties”.
- “Control the landlords, set standards and police them, make it tough for landlords that do not stick to the rules and much easier for those that do”.
- “Regular inspections of properties and minimum standards ie tidy gardens, bin management, anti-social behaviour dealt with quickly”
- “Introduce fines for landlords who do not comply with regulations and make areas look horrible”

### **A large number of respondents also stressed the need to regulate all landlords not just HMOs**

- “Mandatory and additional licensing should form part of a private rented housing strategy (which could form part of the housing strategy, which is due for updating in 2024).”
- “We hope that the council is already preparing for the introduction of the Renters Reform Bill. One emerging issue is the relationship between the proposed national register of landlords and additional licensing schemes”.
- “We have stated our support for wider licensing for all landlords, and we would also suggest that there should be clearer paths to redress for tenants who find themselves in dispute with their landlord, in particular access to reporting on landlords and access to legal aid should they find themselves in dispute and/or mediation”.

- “To stop extending the scope of the HMO licensing until the current batch of homes can be inspected and kept on top of”.
- “Restrict the number of HMO properties especially to students . There is not the need for them now, what’s needed are homes for families/couples”

**It was recognized that tenants need to take responsibility for their actions not just the landlords.**

- “There needs to be equal pressure on tenants to meet their obligations instead of just punishing landlords. For example, maintaining gardens and lawns. If this falls on the tenant than the tenant's should be told by the council to sort it out”.

**Finally, a few respondents talked about CLAS.**

- Signing up for the CLAS should not provide a discount to landlords, it should be the minimum standard for all landlords to be a part of the CLAS prior to receiving a HMO Licence.
- We are already on the CLAS scheme, the licensing scheme is unfair to compliant landlords, and will reduce the housing stock while increasing the cost of renting in regulated areas.
- Over the past 20 odd years, not one tenant has ever asked me whether I am a member of the CLAS. The tenant will take the property if it is in good sound condition, and that's it.

**The survey also captured the following equality information:**

### Age

	Number
16-24	5
25-34	18
35-44	34
45-54	43
55-64	36
65-74	16
75-84	12

### Sex

	Number
Male	67
Female	81
In another way	4
Prefer not to say	10

## Religion

	Number
Christian	60
Hindu	2
Jewish	2
Muslim	2
Sikh	5
No Religion	48
Atheist	11
Prefer not to say	24

Other	11
-------	----

### Ethnic background

	Number
White British	114
White Irish	2
Other White Background	9
Mixed White and Black Caribbean	2
Mixed White and Asian	5
Other Mixed or Multiple Ethnic Background	1
Asian or Asian British Indian	8
Asian or Asian British Pakistani	2
Asian or Asian British Chinese	1
Other	3
Prefer not to say	23

### Do you consider yourself to be a disabled person?

	Number
Yes	30
No	135

### Appendices

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**THE COVENTRY CITY COUNCIL DESIGNATION OF AN AREA FOR  
ADDITIONAL LICENSING OF HOUSES IN MULTIPLE OCCUPATION 2020 –  
SECTION 56, HOUSING ACT 2004.**

Coventry City Council in exercise of its powers under Section 56 of the Housing Act 2004 (“the Act”) hereby designates for Additional Licensing of Houses in Multiple Occupation (“HMOs”) the area described in paragraph 4.

**CITATION, COMMENCEMENT AND DURATION**

1. This designation may be cited as the Coventry City Council Designation for an Area for Additional Licensing of Houses in Multiple Occupation 2025.
2. This designation is made on the 7<sup>th</sup> October 2024 by the Council and shall come into force on the 4<sup>th</sup> May 2025.
3. This designation will cease to have effect on the 3<sup>rd</sup> May 2030 or earlier if the Council revokes the scheme under Section 60 of the Act.

**AREA TO WHICH THE DESIGNATION APPLIES**

4. This designation shall apply to the whole of the area in Coventry City Council’s district as delineated and edged red on the map at Appendix A.

**APPLICATION OF THE DESIGNATION**

5. This designation applies to all HMOs of the description specified in Appendix B within the area described in paragraph 4 unless;
  - a. The building is of a description specified in Appendix C (Buildings that are not HMOs for the purpose of the Act – other than Part 1);
  - b. The HMO is subject to an Interim or Final Management Order under Part 4 of the Act;
  - c. The HMO is subject to a Temporary Exemption Notice under Section 62 of the Act; or
  - d. The HMO is required to be licensed under Section 55 (2) (a) of the Act (Mandatory Licensing of HMOs).
  - e. The HMO is a Section 257 HMOs that is either:
    - i. a section 257 HMO consisting solely of two flats where neither of the flats is situated above or below commercial premises; or
    - ii. a section 257 HMO where the flats share no internal or external common parts, and which are no more than two storeys high.

**EFFECT OF THE DESIGNATION**

6. Subject to sub paragraph 5(a) to (e) above, every HMO in the area specified in paragraph 4 that is occupied under a tenancy or a licence shall be required to be licensed under Section 61 of the Act.

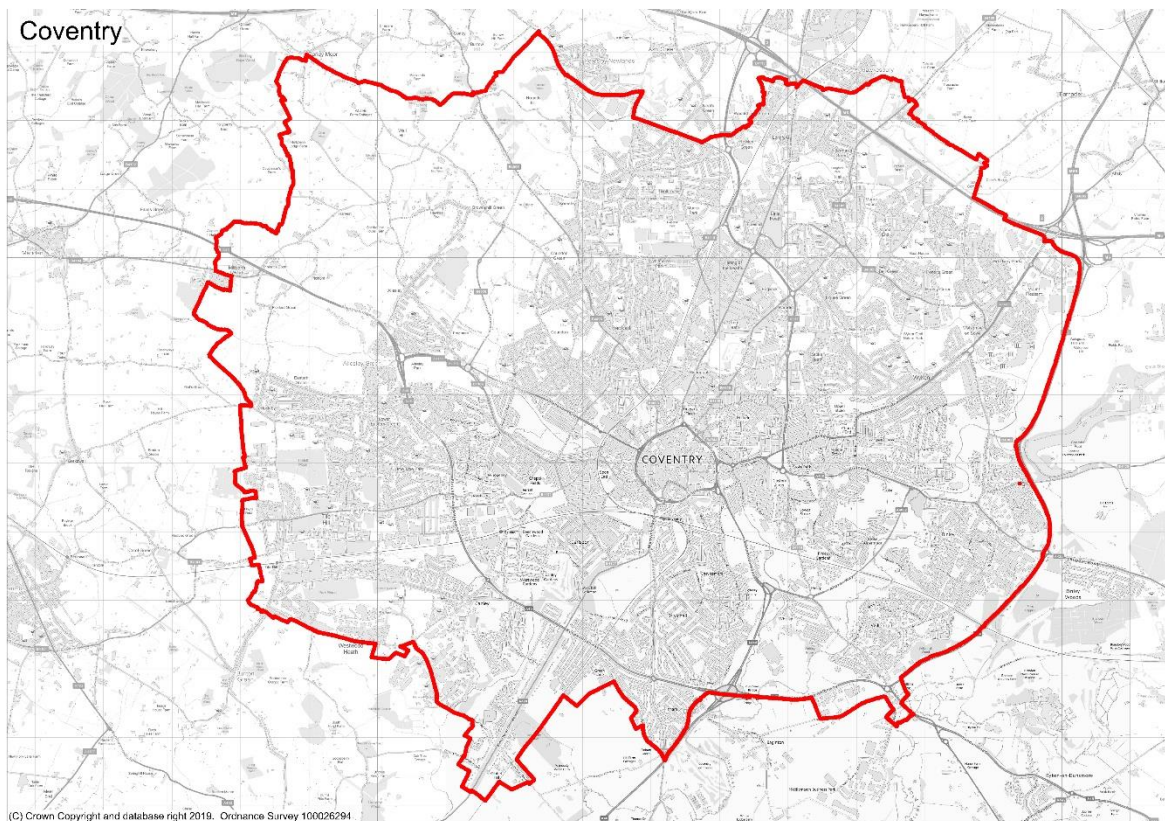


## Coventry City Council

Coventry City Council will comply with the notification requirements contained within Section 59 of the Act and shall maintain a register of all houses registered under this designation, as required by Section 232 of the Act.

This designation falls within a description of designations in relation to which the Secretary of State has given general approval under Section 58 of the Act, namely the Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2015 which came into force on the 1<sup>st</sup> April 2015.

### APPENDIX A – Paragraph 4: Map of Designated Area





#### **APPENDIX B – Paragraph 5: HMOs subject to the designation**

The designation applies to all HMOs as defined by Section 254 of the Act that are occupied by 3 or more persons comprising two or more households, and HMOs as defined in Section 257 of the Act.

#### **APPENDIX C – Buildings which are not HMOs for the purposes of this designation**

The following paragraphs list buildings which are not houses in multiple occupation for any purposes of this Act other than those of Part 1.

In this Schedule “building” includes a part of a building.

##### ***Buildings controlled or managed by public sector bodies etc.***

A building where the person managing or having control of it is:-

- a) a local housing authority;
- b) a non-profit registered provider of social housing;
- c) a body which is registered as a social landlord under Part 1 of the Housing Act 1996;
- d) a police and crime commissioner;
- e) the Mayor's Office for Policing and Crime;
- f) a fire and rescue authority under the Fire and Rescue Services Act 2004; or
- g) a health service body within the meaning of section 9 of the National Health Service Act 2006.

A building: -

which is social housing within the meaning of Part 2 of the Housing and Regeneration Act 2008, and where the person managing or having control of it is a profit-making registered provider of social housing.

##### ***Buildings controlled or managed by a co-operative society***

A building where:-

the person managing or having control of it is a co-operative society whose rules are such as to secure that each of the conditions set out in sub-paragraph (2) is met, and no person who occupies premises in the building does so by virtue of an assured tenancy, a secure tenancy or a protected tenancy.

The conditions are:-



## Coventry City Council

- a) that membership of the society is restricted to persons who are occupiers or prospective occupiers of buildings managed or controlled by the society;
- b) that all management decisions of the society are made by the members (or a specified quorum of members) at a general meeting which all members are entitled to, and invited to, attend;
- c) that each member has equal voting rights at such a meeting; and
- d) that, if a person occupies premises in the building and is not a member, that person is an occupier of the premises only as a result of sharing occupation of them with a member at the member's invitation.

“co-operative society” means a body that is registered as a co-operative society under the 2014 Act or is a pre-commencement society (within the meaning of that Act) that meets the condition in section 2(2)(a)(i) of that Act, and is neither:-

- a) a non-profit registered provider of social housing; nor
- b) registered as a social landlord under Part 1 of the Housing Act 1996.

In this paragraph: -

“the 2014 Act” means the Co-operative and Community Benefit Societies Act 2014;

“assured tenancy” has the same meaning as in Part 1 of the Housing Act 1988;

“protected tenancy” has the same meaning as in the Rent Act 1977; and

“secure tenancy” has the same meaning as in Part 4 of the Housing Act 1985.

### ***Buildings regulated otherwise than under this Act***

Any building whose occupation is regulated otherwise than by or under this Act and which is of a description specified for the purposes of this paragraph in regulations made by the appropriate national authority.

### ***Buildings occupied by students***

Any building: -

- a) which is occupied solely or principally by persons who occupy it for the purpose of undertaking a full-time course of further or higher education at a specified

educational establishment or at an educational establishment of a specified description; and

- b) where the person managing or having control of it is the educational establishment in question or a specified person or a person of a specified description.

In sub paragraph a) “specified” means specified for the purposes of this paragraph in regulations made by the appropriate national authority.

Sub-paragraph (4) below applies in connection with any decision by the appropriate national authority as to whether to make, or revoke, any regulations specifying:-

- a) a particular educational establishment; or
- b) a particular description of educational establishments.

**Sub Paragraph (4)** The appropriate national authority may have regard to the extent to which, in its opinion: -

- a) the management by or on behalf of the establishment in question of any building or buildings occupied for connected educational purposes is in conformity with any code of practice for the time being approved under section 233 which appears to the authority to be relevant; or
- b) the management of such buildings by or on behalf of establishments of the description in question is in general in conformity with any such code of practice, as the case may be.

In sub-paragraph (4) above “occupied for connected educational purposes”, in relation to a building managed by or on behalf of an educational establishment, means occupied solely or principally by persons who occupy it for the purpose of undertaking a full-time course of further or higher education at the establishment.

### ***Buildings occupied by religious communities***

Any building which is occupied principally for the purposes of a religious community whose principal occupation is prayer, contemplation, education or the relief of suffering.

This paragraph does not apply in the case of a converted block of flats to which section 257 applies.

***Buildings occupied by owners***

Any building which is occupied only by persons within the following paragraphs:-

- a) one or more persons who have, whether in the whole or any part of it, either the freehold estate or a leasehold interest granted for a term of more than 21 years;
- b) any member of the household of such a person or persons; and
- c) no more than such number of other persons as is specified for the purposes of this paragraph in regulations made by the appropriate national authority.

This paragraph does not apply in the case of a converted block of flats to which section 257 applies, except for the purpose of determining the status of any flat in the block.

***Buildings occupied by two persons***

Any building which is occupied only by two persons who form two households.

Signed:

**Director of Law and Governance**

Dated: 7<sup>th</sup> October 2024



# Houses in Multiple Occupation Licensing Policy 2025

VERSION 3 – AUGUST 2024

COVENTRY CITY COUNCIL – PLANNING AND REGULATORY SERVICES

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# Coventry HMO Licensing Policy and Procedures

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## Introduction

Under Part 2 of the Housing Act 2004 there are two types of licensing schemes that relate to Houses in Multiple Occupation (HMOs), the national Mandatory HMO Licensing scheme and Additional Licensing of HMOs.

Under the national Mandatory HMO Licensing scheme all properties that meet the following criteria will require a mandatory HMO licence:

- Is occupied by five or more persons;
- Is occupied by persons living in two or more separate households; and meets—
- The standard test under section 254(2) of the Act;
- The self-contained flat test under section 254(3) of the Act but is not a purpose-built flat situated in a block comprising three or more self-contained flats; or
- The converted building test under section 254(4) of the Act.

Additional Licensing of HMOs covers those HMOs that are not licensed under the Mandatory Scheme but where the Council has used its power to designate areas of the City subject to Additional Licensing of HMOs.

This document sets out the structure of the scheme and the fees and charges and criteria Coventry City Council will apply to all licences in relation to the Mandatory and Additional HMO Licensing schemes.

## HMO Licensing in Coventry

Coventry City Council has a responsibility under Section 55 of the Housing Act 2004 to secure the licensing of all Mandatory HMOs and has been implementing its scheme in response to this duty since 2006.

On the 7<sup>th</sup> October 2024 Coventry City Council also designated the whole of its area subject to Additional Licensing in respect of the following types of HMOs:

- HMOs of any size of building that are occupied by three or four persons; and
- S.257 HMOs where those HMOs are mainly or wholly tenanted, including those with resident landlords, unless if it is either:
  - a. a section 257 HMO consisting solely of two flats where neither of the flats is situated above or below commercial premises; or
  - b. a section 257 HMO where the flats share no internal or external common parts, and which are no more than two storeys high.

The HMO Licensing schemes in operation in Coventry therefore cover all HMOs and all licence applications are to be accompanied with a fee determined by the Council. Once a licence is issued it is not transferable.

# Coventry HMO Licensing Policy and Procedures

The Council has exercised its powers to charge under Section 63(3) and (7) of the Housing Act 2004 and does so taking into account the Provision of Services Regulations 2009, which themselves implement the EU Services Directive.

Under Part 2 of the Housing Act 2004, a HMO is required to be licensed unless:

- a temporary exemption notice is in force in relation to it under section 62, or
- an interim or final management order is in force in relation to it under Chapter 1 of Part 4.

The Council must take all reasonable steps to secure that applications for licences are made to them in respect of HMOs in their area which are required to be licensed under this Part but are not.

In the event that a building has multiple units of accommodation i.e. in the case of student 'cluster' flats, contained within it the Council will require a separate application and fee for each of the units within the building that constitute an HMO. The Council will consider each application on its own merits and will take the following factors into account before deciding to issue an HMO licence or not;

- The level of occupancy and the ratio of sharing one or more basic amenity i.e. a kitchen, toilet or bathroom;
- Whether each of the HMOs within the same building are within common ownership and management control.

Where it is identified that each "cluster" is an HMO within a building with other similar units of accommodation then the Council may decide that individual HMO licences should be granted for all of them. It will give notice of this to the applicant and every relevant person and there is a right to appeal this decision, notwithstanding the grant of these licences.

In cases of a registered 'not for profit' charity i.e. Cyrenians or an individual housing provider, such as a private landlord or organisation who is assisting the Council by offering permanent accommodation to meet our homelessness duties applications will be accepted, for the particular property being provided without a fee being payable. An assessment of the organisation will then be carried out and if appropriate the Council will determine the application and issue a licence without requiring any fee. Each case will be considered on its merits based on the type of individual or organisation submitting the application and the removal of the fee requirement will only be applied to the licence for the house being provided for homelessness purposes.

## Licence Fees

Section 63 of the Housing Act 2004 permits the Council to require any application for a licence under Part 2 is accompanied by a licence fee and that this fee may properly cover all costs incurred by the Council in carrying out its functions.



## Coventry HMO Licensing Policy and Procedures

In developing its fee structure the Council has had regard to the European Court of Justice ruling in *R (Hemming) V Westminster City Council* (Case C-316/15) and the High Court decision in *R (Gaskin) v LB Richmond Upon Thames* (2018) EWHC 1996 (Admin) which held that the EU's Provision of Services Directive, which is enshrined in UK law as the Provision of Services Regulations 2009 should apply to property licensing fees and the processes involved in implementing and delivering such schemes.

The Services Directive, in particular should be interpreted as precluding charging in advance for costs other than those directly related to the authorisation process of the scheme. In other words, the Council is not permitted to demand fees in advance for anything other than the costs of administering the application for a licence even if it makes it clear that unsuccessful applicants are provided with a refund of the remaining part of the fee. The Council may legitimately recover its wider costs, over and above those relating to the administration of applications, but this should be at the point at which the Council has determined that a licence is to be granted.

The judgements in *Hemming* and *Gaskin*, which require the overall licence fee to be paid in two stages, has therefore had the effect the fee for a Selective Licence under Part 3 of the 2004 Act must be levied in two separate parts.

The Council is not allowed to demand fees in the Stage 1 process for anything other than the costs of administering and processing the application for a licence. Furthermore, this element of the fee is non-refundable should the application be unsuccessful.

In the case of Stage 2 payments these can only be requested if the initial application is successful and will be charged to cover the costs of running and enforcing the scheme.

As such the Council, when setting its fees, has adopted the two-stage approach. All fees and charges will be reviewed on an annual basis and the following tables set out those fees commencing from the 1<sup>st</sup> April 2025.

Table 1- Fees and Charges

Stage	Type of Licence	Fee
Stage 1 Fee – Payable at the time of making the application	1 year licence (Category A)	£ 695.00
Stage 2 Fee – Payable once the Council has determined to Grant a Licence.	1 year licence – where landlord has been found to be operating an unlicensed HMO.	£ 1480.00

## Coventry HMO Licensing Policy and Procedures

<b>Total Fee</b>		<b>£ 2,175.00</b>
<b>Stage</b>	<b>Type of Licence</b>	<b>Fee</b>
Stage 1 Fee – Payable at the time of making the application	1 year licence (Category B)	£ 695.00
Stage 2 Fee – Payable once the Council has determined to Grant a Licence.	1 year licence – where the landlord is licensing a new HMO without being identified as part of the Council proactive enforcement regime.	£ 830.00
<b>Total Fee</b>		<b>£ 1,525.00</b>
<b>Stage</b>	<b>Type of Licence</b>	<b>Fee</b>
Stage 1 – Payable at the time of making the application	2 year licence – subject to criteria (Category C)	£ 695.00
Stage 2 – Payable once the Council has determined to Grant a Licence.	2 year licence.	£ 389.00
<b>Total Fee</b>		<b>£ 1084.00</b>
<b>Stage</b>	<b>Type of Licence</b>	<b>Fee</b>
Stage 1 – Payable at the time of making the application	5 year licence – subject to criteria (Category D)	£ 695.00
Stage 2 – Payable once the Council has determined to Grant a Licence	5 year licence.	£ 221.00
<b>Total Fee</b>		<b>£ 916.00</b>

Stage	Type of Licence	Fee
Stage 1 – Payable at the time of making a Renewal Application.	Renewal of licence – subject to criteria for 2 and 5 year licences (Category E).	£ 695.00
Stage 2 – Payable once the Council has determined to Grant a Renewal of a Licence	Renewal of licence.	£ 315.00
<b>Total Fee</b>		<b>£ 1,010.00</b>

Under Section 67 (5) of the Housing Act 2004 the Council has the power to impose a restriction/ obligation on a particular person (with their consent). In accordance with this power the Council will require the licence holders consent to pay the Stage 2 fee in advance of the licence being issued, this will be required as part of the application process.

In addition, the Council will attach a condition to all HMO licences requiring this obligation to be met i.e. to pay the Stage 2 fee. This approach is consistent with that set out in the *Hemming* case.

Failure to make the Stage 2 payment will result in the Council taking action through, either the revocation or refusal of the licence or by enforcing the non-compliance of the licence condition associated with the making of the Stage 2 payment.

## Processing the application

Under the Housing Act 2004 the Council can either grant or refuse a licence. In determining whether to grant or refuse a licence the Council must satisfy itself of the following:

- That the proposed licence and manager of the HMO is a fit and proper person and the most appropriate person to hold the licence; and
- That there are satisfactory management arrangements in place or that such arrangements can be put in place by the imposition of conditions in the licence.

## Tests for fitness etc. and satisfactory management arrangements.

Coventry City Council must be satisfied that “the proposed management arrangements are satisfactory” before granting a HMO licence. Those arrangements include (but are not limited to) consideration of whether:

## Coventry HMO Licensing Policy and Procedures

- the persons proposed to be involved in the management of the premises has a sufficient level of competence to be involved;
- the persons proposed to be involved with the management of the premises are actually involved in the management
- those persons are 'fit and proper' (which is discussed above) and
- the proposed management structures and funding arrangements are suitable.

If there are concerns about the competencies and structures in place to manage the HMO then conditions can be imposed on the licence to ensure that the necessary arrangements are in place. However, if such conditions will still not be possible or practical to impose then it may be necessary to refuse to grant a licence.

It is for a Council to determine whether a person has sufficient competence to be involved in the management of HMOs and, of course, the level of competence required will in some measure be determined by the complexity of the management challenges posed. The Council will, therefore, be looking at the applicant's experience and track record of managing HMOs and, in particular where he/she is the existing manager, the premises to which the application relates. In most cases landlords who belong to a recognised trade association or are members of an accreditation scheme will be regarded as having the necessary competence to be involved in the management of the premises because, at least such organisations can be called upon for advice and assistance where necessary.

The management structures must be such that the manager is able to comply with any licence conditions and deal with the day to day operation management issues that arise as well as being able to deal with longer term management issues. In considering whether the structures are appropriate the Council may take account of the following:

- evidence as to whether the systems in place are sufficient to enable the manager to comply with any condition of a licence or if such systems can be put in place through a condition of a licence to ensure compliance;
- evidence of the systems for dealing with:
  - i) emergency repairs and other issues
  - ii) routine repairs and maintenance to the premises and its curtilage
  - iii) cyclical maintenance
  - iv) management and the provision of services (if any) to the building and its curtilage
  - v) management of tenancies or occupants
  - vi) management of the behaviour of tenants, occupants and their visitors to the premises
  - vii) neighbourhood issues (including disputes)

# Coventry HMO Licensing Policy and Procedures

- evidence of structures for engagement with the local authority, police and other agencies, where appropriate

In order to be able to demonstrate much of the above evidence it is likely that the manager will need to operate within a reasonable proximity to the HMO, so that he/ she can attend to matters promptly and retain an overview on the condition of the premises and the management of the tenancies.

The Council must also be satisfied that the financial arrangements relating to the HMO are suitable. In that regard the manager must be sufficiently funded or have access to funding to carry out his obligations under the licence and his/her general management functions.

Coventry City Council can vary or revoke a licence at any time during the licence period if there is sufficient evidence to support these decisions. Unannounced visits of licensed properties will therefore be undertaken during the licence period to check for compliance with the licensing and management regimes which apply. This is consistent with the powers provided under Section 239 of the Housing Act 2004.

Breach of any such legislation is a strict offence for which further action will be taken. The Housing, Health and Safety Rating System (HHSRS) also applies to rented properties and (if appropriate) remedial works can be enforced via this legal mechanism separately to the powers provided under the licensing scheme.

## The fit and proper test

In deciding to grant a licence Coventry City Council must be satisfied that the proposed licence holder “is a fit and proper person to be the licence holder ...” and that “the proposed manager of the house is a fit and proper person to be the manager of the house ...”

This requirement is to ensure that those responsible for operating the licence and managing the HMO are of sufficient integrity and good character to be involved in the management of the particular residential premises to which the application relates and as such they do not pose a risk to the health, safety or welfare of persons occupying and visiting the HMO.

When considering whether a person is ‘fit and proper’ Coventry City Council will have regard to any misdemeanours (wrong doings) of the relevant person concerned. This is evidence that the person has:

- committed any offence involving fraud or other dishonesty, violence or drugs and certain types of sexual offences;
- practised unlawful discrimination on the grounds of sex, colour, race, ethnic or national origins or disability, in connection with the carrying out of business;

## Coventry HMO Licensing Policy and Procedures

- contravened any provision of housing or landlord and tenant law; or
- acted otherwise than in accordance with an approved code of practice.

The above list is not exhaustive, and Coventry City Council can and will consider whether a relevant person has committed other relevant misdemeanours, for example, discrimination under Regulation 5 of the Equality Act (Sexual Orientation) Regulations 2007. A relevant person will not be deemed unfit, simply because of poor management, although this is highly relevant to determining any question of suitability or competence.

Coventry City Council do not adopt a blanket policy with its consideration of factors under a fit and proper person test. Each case will be considered on its own merits and regard will be had to information provided / omitted from an application form; historical information already held by Coventry City Council relating to the premises and / or any relevant person connected with the licence application.

In an application for a licence the applicant must provide details of the following in relation to him/herself and the proposed manager (if the applicant is not to be the licence holder)

- unspent convictions;
- any findings of a court/tribunal that the person has practised unlawful discrimination;
- any judgement entered against that person in relation to a contravention of housing or landlord and tenant law (and, in so far it relates to the housing or landlord and tenant law, any contravention of any enactment relating to public or environmental health);
- any control order made in respect of any HMO under his/her management or ownership (and also in respect of any former HMO he/she owned or managed);
- any enforcement action in respect of any house or HMO under his/her management or ownership (and also any former HMO or house he/she owned or managed) under the housing health and safety rating system in Part 1 of the Housing Act 2004 so far as that enforcement action related to a category one hazard;
- details of any refusal to grant a licence, or details of the revocation of a licence granted for non-compliance of a condition or conditions in respect of any house or HMO under his/her management or ownership (and also in relation to any former HMO or house he owned or managed);
- details of any interim or final management orders made by an LHA in respect of any house or HMO under his management (and also in respect of any former HMO or house he owned or managed).

## Coventry HMO Licensing Policy and Procedures

An applicant for a licence must disclose any misdemeanours which relate to themselves, the proposed manager and any other relevant person, if any. Coventry City Council should therefore have sufficient information to decide a person's fitness based on the application.

If Coventry City Council are not satisfied that it has sufficient information (being that supplied in connection with the application) to make a determination, it may require the applicant to provide further details and / or undertake their own further enquiries with other relevant Council departments and external bodies as it deems necessary, including for example Disclosure & Barring Service checks (DBS).

The completion and signing of the Licence application form will be taken as an agreement to any such action and the sharing of information between other Local Authorities for all relevant persons associated with the property and application.

Checks will also be made internally with other Council departments such as Licensing, Trading Standards, Planning, Building Control, Council Tax and Housing Benefit.

Coventry City Council are also able to request information on criminal convictions, and although this is not undertaken as a matter of routine a Police National Computer (PNC) check will be requested where there is sufficient evidence that this is necessary. A PNC check may also be requested for the purposes of officer safety during the course of the licensing application should this also be considered necessary.

Such reasons for a PNC check may include that:

- Coventry City Council have evidence of a history of complaints or problems with the landlord (which in themselves might not amount to 'evidence' of unfitness to meet the test), but further investigation may be required;
- the applicant has been evasive or untruthful in their application for a licence;
- the applicant, or proposed manager, is unknown to Coventry City Council and has not demonstrated any history or competence of managing HMOs or other private rented properties;
- Coventry City Council has reasonable grounds to suspect that the applicant, or the proposed manager, has committed an offence which is relevant to the determination of any question of his/her fitness or
- The premises provide accommodation mainly to vulnerable persons. In deciding whether a misdemeanour (including a criminal offence) is relevant to the determination of a person's fitness a Council may wish to consider the following factors:



- i) the relevance of the misdemeanour(s) in relation to the person's character and integrity to manage residential premises and in particular the type of premises to which the licence relates;
- ii) the seriousness of the misdemeanour(s) in terms of impact, or potential impact, upon the residents and the wider community, including if more than one misdemeanour has been carried out the cumulative impact;
- iii) the length of time since any misdemeanour; and
- iv) any mitigating circumstances.

### Consideration of 'persons associated or formerly associated' with the proposed licence holder or manager.

If there is evidence that a person associated, or formally associated, with the person proposed to be the licence holder or manager of the HMO, has committed any misdemeanours, that evidence may be taken into account in determining the proposed licence holder's or manager's fitness (even if that person has himself or herself an unblemished record).

The purpose of this requirement is to ensure that only fit and proper persons hold licences or are in any way involved in the management of licensed HMOs. It would not be appropriate for a licence to be granted to someone, or for someone to be the manager of a property, if that person was merely acting as a 'front' for someone else who, if he or she were not unfit, would be entitled to be the manager or licence holder.

An example might be that of a husband and wife, where the husband is the landlord (or indeed both he and his partner are joint landlords), but only the wife has applied for the licence. If there is evidence that the husband has committed misdemeanours and those misdemeanours are relevant to the wife's management of the property or licence then the Council may refuse to grant her a licence.

Likewise if a landlord with an unsatisfactory record nominated a "manager" who had a clean record, but had acted for him whilst the misdemeanours were committed, Coventry City Council may consider the managing agent by association to be unfit too.

### Issuing a Licence

All HMOs subject to licensing will be inspected prior to the issuing of a draft licence to ensure that the HMO is reasonably suitable for occupation by the number of people being requested on the licence application and to ensure that there are satisfactory management arrangements in place.

All HMOs will also remain subject to further inspections during the lifetime of the licence to check compliance with licence conditions, management responsibilities and minimum standards. In certain cases the Council may decide to carry out such inspections without prior notice being given to the owner, licence holder and /or



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manager. This is consistent with the powers set out in Section 239 of the Housing Act 2004.

Failing to comply with any conditions on a licence is an offence under Section 72(3) of the Housing Act 2004 and, if found guilty the licence holder could face a prosecution or issued with a Civil Penalty of up to £30,000.

In cases where the licence is being issued to or on behalf of a new landlord who has never licensed a HMO before the first licence will run for one (1) year, and the licence must be renewed before it expires. After the first year, the opportunity will be provided to apply for a longer licence, provided all the relevant criteria is met.

The Council considers this approach is justified in furtherance of the overriding public interest of improving the standard of rented properties and their management.

Where the inspection has been pre-arranged then all applicants will be required to provide access to all rooms in the HMO at a suitably arranged appointment.

All contact with the licence holder and relevant person(s) will be made using the contact information provided by the applicant on the original application. Accordingly, it is the licence holder's responsibility to ensure that all contact details are up to date and you must notify the Property Licensing Team of any change in details. The Property Licensing Team will not be held responsible for any delay in communication if it is as a result of any contact information changing.

A draft licence with conditions will be issued based on the findings from this inspection. The draft licence (known as an Intention Notice) will be emailed to all relevant persons and other interested parties for consultation.

The relevant persons will have an opportunity to make any representations, which will be considered by a Senior Officer.

When this process is complete a full licence with the conditions (known as the Decision Notice) will be issued. Again, copies will be sent to all interested parties.

If the licence holder is still dissatisfied with the conditions of the licence, they will have an opportunity to appeal to the First-tier Property Tribunal. The details of how this appeal can be made will be provided with the Licence.

## Renewal Applications

The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (Amendment) (England) Regulations 2012 set out amendments to "renewal applications", which reduces the burden on landlords applying for the renewal of a licence.

In the case of renewal applications and applicant must provide a complete application form and sign the declarations provided.

It is important to note that the regulations define a “renewal application” as “*an application for a licence under section 87 of the Act where, at the time the application is made a licence of the kind applied for is already held by the applicant and has effect in respect of the HMO or house*”.

The effect of this part of the Regulations is that order for the Council to treat any application as a “renewal” the application must be made during the active period of the current licence. If a renewal application is received on or after expiry of the current licence then the application will be treated as a new application and the appropriate fees above will apply.

## Application for a revocation or variation of a licence.

If circumstances regarding the HMO change during the licence period, for example a change in the number of letting units, the licence holder must notify the Property Licensing Team directly so the licence can be re-assessed and varied if the HMO is considered suitable to accommodate the variation request.

Similarly, if the HMO is no longer going to be occupied as a HMO or the licence holder changes, then the licence holder must make an application for the licence to be revoked. Any remaining period of the licence will be forfeited and there will be no right to refund of the original payment.

## Licence Criteria

A valid application consists of:

- An application form with appropriate certificates submitted
- Fee payment
- Signed declaration returned

Once a valid application is received the Council will assess each application on its own merits against relevant criteria. The Council has discretion to offer any length of licence it considers appropriate and upon receiving a valid application will take account of various factors before a decision on the length of licence is made.

To be eligible for a given length of licence, the landlord must meet all the criteria set out below at the point of application. In order for this assessment to be made the application must first be made valid.

### One year licence

You will receive a one-year licence if you submit a valid HMO licence application.

There are no additional prerequisite criteria for receiving an annual licence.

The proposed licence holder and the proposed manager must be a “fit and proper person” as defined by the [Housing Act 2004](#) and must have a registered UK

address. The HMO must be suitable for occupation for the number of people you wish to accommodate. Although not a prerequisite for receiving a one-year licence, you still have a legal duty to comply with all relevant Acts and Regulations; including (but not restricted to) the Housing Act 2004, Planning and Building Regulations, and the Regulatory Reform (Fire Safety) Order 2005.

To receive an annual licence, you and the manager of the HMO must also be a “competent” person and there must be no concerns over the management of the house.

All first-time licensees will normally receive one-year licences unless they are able to provide evidence that they have other licensed properties in England or Wales. The Council will consider (but not guarantee to grant) applications for a two- or five-year licence if operating other licensed HMOs is the only eligibility criterion which is not met.

Annual licences will be issued to those landlords who are found to be operating an unlicensed HMO through proactive visits carried out by the Council. In cases such as these it is likely that the landlord may also be subject to a formal investigation by the Council – given that they have been found to be operating an unlicensed property. This may affect their eligibility as licence holder or manager so they will be required to nominate an alternative competent person to be licence holder/ manager.

## Two-year licence

To receive a two-year licence, you must submit a valid application and meet all of the following criteria:

- Good management at the property
- Good application history - all documents submitted on time
- No subsequent reminders for outstanding information, documents or payment needed after the initial contact regarding an invalid application
- No issues from other internal and external departments (e.g. Planning, Building Control, Police, HMRC, Immigration (BA))
- The property benefits from the correct [planning permission](#)
- Minor health and safety/disrepair/fire safety conditions on the licence
- Licence conditions completed on compliance inspection (renewals only)
- Have a maximum of two justified service requests (complaints about the property we have taken action to resolve)
- No missed appointments (when running late, Council is informed), no difficulty arranging appointments
- All rooms available to inspect
- Fire Risk Assessment in place

## Five-year licence

To receive a five-year licence, you must submit a valid application and meet all of the following criteria, in addition to the two-year criteria described above:

- Good application history - all documents submitted on time
- No subsequent reminders for outstanding information, documents or payment needed after the initial contact regarding an invalid application
- Proposed Licence Holder and proposed Manager are accredited by the Council
- Proposed Licence holder to provide a DBS certificate if not accredited/not seeking accreditation with CLAS or ANUK and where the agent is accredited/member of ANUK and is acting as the manager with full management responsibility for the property.
- Adhere to the principles set out in the [Private Rented Sector Code of Practice](#)
- Good management at the property
- Arrangements in place for regular maintenance/repairs i.e. British Gas Homecare or similar
- Arrangements in place for the cleaning, e.g. cleaning contracts
- Membership of other professional association – RICS, ARLA (agent only)
- No issues from other internal and external departments (e.g. Planning, Building Control, Police, HMRC, Immigration (BA))
- A management arrangement and terms of business in place. A copy of this agreement to be provided on request (applies only if a property is managed by an agent)
- No additional conditions added on compliance inspection (renewals only)
- No missed appointments or over 10 minutes late; landlord will co-operate with Council officers to arrange inspections and all rooms are available for the inspection
- No justified service requests (complaints to the Council by tenants or other parties about conditions in the house)
- Landlord or agent carry out inspections themselves at least every 6 months and at the beginning and end of the tenancy.
- Fire Risk Assessment in place
- Managing Agents (with sole or joint management responsibility) meet the following additional criteria:
  - Company employees are suitably qualified in property management
  - All employees carry out regular continued professional development
  - The company is registered with a recognised professional association

## Licence renewal

It is important that a renewal application is submitted before expiry of the current licence otherwise it may be determined that this is a new application and additional information will be required. A different fee may also apply to reflect the increased time involved in processing the application.

## Fire risk assessments for licensed HMOs

Having a fire risk assessment for a licensed HMO is a legal requirement under the Regulatory Reform (Fire Safety) Order 2005, which is enforced by West Midlands Fire and Rescue Authority.

The duty is placed on the 'responsible person' who could be the landlord/licence holder or an agent with full management control. The assessment must be 'suitable and sufficient', and assistance from an appropriately competent person should be sought as necessary to achieve this.

The Council will accept a signed self-certification forms declaring that a suitable and sufficient fire risk assessment is in place for the HMO, however the Council may request and audit the fire risk assessment and other records at any time during the lifetime of the licence. If any documents requested cannot be provided within 7 days of the request, the Council may revoke the licence.

The acceptance of a fire risk assessment/self-declaration does not protect the responsible person from any action required by West Midlands Fire and Rescue Authority.

Further information and guidance on completing a fire risk assessment is available from the [Chief Fire Officers Association](#) and the [Gov.uk website](#).

## Coventry Landlord Accreditation Scheme (CLAS)

The Council has developed its own accreditation scheme called Coventry City Council Landlord Accreditation Scheme (CLAS).

Being accredited by the Council is one step toward being eligible for a five-year licence.

Further details of the Council's accreditation scheme can be found here [www.coventry.gov.uk/landlordaccreditation](http://www.coventry.gov.uk/landlordaccreditation) or you can email the Property Licensing Team to find out more information [clas@coventry.gov.uk](mailto:clas@coventry.gov.uk) for further information on becoming accredited.

## Will tacit consent apply?

In deciding whether tacit consent applies the Council has taken into consideration the recent High Court decision in the case of *R(Gaskin) v Richmond LBC* [2018] EWHC 1996 (Admin).

The *Gaskin* case says that the Provision of Services Directive applies to licensing schemes in full and that regulators should set out how long it will take to carry out a licensing approval process and if they do not meet that timeline then approval (tacit consent) should happen automatically.

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Upon receiving a valid application, the Council will aim to provide a decision as soon as is reasonably practicable, however each case will require different processes to be completed, for example if an inspection of the HMO is necessary then the Council will be required to complete this before issuing you with a decision. This could therefore extend the time it takes to process your application.

It is therefore the Council's aim to process all valid applications and provide the relevant persons with a decision within 20 weeks of receipt. This will require the full co-operation of the applicant with the Council's requirements for determining a licence application.

If a decision about a licence application has not been received after this period, then tacit approval will apply from the date the application was made. It is therefore lawful for a property to operate as a licensable HMO.

As mentioned the target completion period for issuing a decision and a licence is subject to many factors and as such applicants should check with the Council on the status of their application.

By the Council setting out and displaying publicly their licensing processing time, the Council considers this will instil confidence in local landlords and help to keep them informed about the process.

## Public registers

A register of HMO Licences is available online and details of this can be obtained by sending a formal, written request to the Property Licensing team.

## Appeals

If an application for a HMO Licence is refused, there is a right to appeal this decision within 28 days to the First-tier Tribunal (Property Chamber - Residential Property). The details of this will be provided with the Decision Notice.

## Options Appraisal Document

The Additional Licensing scheme in the city, which commenced on the 4<sup>th</sup> May 2020 runs for a period of 5 years and therefore ceases on the 4<sup>th</sup> May 2025. This creates a situation where the future options for the scheme beyond the expiration need to be considered.

Under section 60(2) of the Act the expiry time must be no later than five years after the date on which the designation comes into force.

Under s.60 (3) of the Housing Act 2004 '*a local housing authority must from time to time review the operation of any designation made by them*'

To fulfil this requirement a review, which included a consultation exercise was undertaken between July and October 2023. The review showed that the licensing scheme has made good progress in improving standards in a large number of HMOs. However, there are still a significant number of properties that remain unlicensed and ineffectively managed.

As part of the review a number of options have been considered in relation to the HMO licensing scheme, these options were to renew the scheme in its entirety, renew the scheme in parts of the city or not renew the scheme. The best option from the appraisal was to renew the scheme in its entirety.

The main reasons for supporting the option of renewal of the scheme in its entirety are as follows:

HMOs are a major concern in Coventry. It is estimated that Coventry has the 14<sup>th</sup> highest number of HMOs in England and Wales. Only the large metropolitan and unitary authorities and some London Boroughs contain more. They form a high percentage of houses in the city which is attributed to high numbers of students attending both Coventry and Warwick University.

High house prices create a situation that puts the home ownership market beyond a large number of residents and places a burden on the private rented sector. Sharing accommodation is the only viable option for a large proportion of young and low-income households. Licensing ensures that the Council has a comprehensive toolkit to deal with poor conditions and issues around anti-social behaviour in all HMOs, thereby improving the living conditions for those residents in occupation and those who are affected by HMOs in the neighbourhood.

Planning policy has been developed by the Council to create 'mixed and balanced communities', which looks to limit the levels of HMOs in the sector so that there is a spread of sustainable and viable options for accommodation but despite all this the Council still have massive numbers of HMOs in the PRS.

The problems associated with living in a HMO have been well documented over the years and are known to professionals working in the sector. The recent review of the current Additional HMO Licensing scheme also indicates that a significant proportion of HMOs in the Council's area are still being managed ineffectively, with over 75,000

conditions being added to licences requiring the licence holder to carry out works to bring properties up to the appropriate standard and to manage them effectively.

The current spread of HMOs is not concentrated in one particular area and the issues regarding this type of accommodation are widespread. Partial licensing of HMOs would likely result in an increase of HMOs in areas which were not subject to licensing or covered by the Council's Article 4 direction and leave the Council with limited options for regulating these properties.

In order for the Council to 'renew' the scheme it must proceed through the statutory process as laid out in Section 56 and 57 and the guidance issued under the Housing Act 2004: Licensing of Houses in Multiple Occupation and selective licensing of Other Residential Accommodation (England) General Approval 2010.

Section 56 of the Act places requirements upon the local housing authority when considering a designation for additional licensing of HMOs, in that the Council must:

- Consider that a significant proportion of the HMOs of that description in the area are being managed sufficiently ineffectively as to give rise, or likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public; and
- Take reasonable steps to consult with persons who are likely to be affected and consider any representations made in accordance with the consultation and not withdrawn; and
- Have regard to any information regarding the extent to which any codes of practice approved under section 233 have been complied with by persons managing HMOs in the area (these codes relate to University managed accommodation).

Section 57 provides further considerations for the local authority in that they should ensure that:

- Exercising the designation is consistent with the authority's overall housing strategy;
- Seek to adopt a coordinated approach in connection with dealing with homelessness, empty properties and anti-social behavior affecting the private rented sector as regards combining licensing with other action taken by them or others;
- Consider whether there are any other courses of action available to them (of whatever nature) that might provide an effective method of dealing with the problem or problems in question; and
- That making the designation will significantly assist them to deal with the problem or problems (whether or not they take any other course of action as well).



The Department for Communities and Local Government (DCLG) General Approval provides the condition that any consultation period for the proposed designation should not be less than 10 weeks.

In February 2010 the DCLG produced general guidance around the approval steps for additional and selective licensing designations in England.

The Additional Licensing review indicated that properties are still being managed “*sufficiently ineffectively*” including:

- Those whose external condition and curtilage (including yards and gardens) adversely impact upon the general character and amenity of the area in which they are located;
- Those whose internal condition, such as poor amenities, overcrowding etc. adversely impact upon the health, safety and welfare of the occupiers and the landlords of these properties are failing to take appropriate steps to address the issues;
- Those where there is a significant and persistent problem of anti-social behavior affecting other residents and/or the local community and the landlords of the HMOs are not taking reasonable and lawful steps to eliminate or reduce the problems; and
- Those where the lack of management or poor management skills or practices are otherwise adversely impacting upon the welfare, health and safety of residents and/or impacting upon the wider community.

### **Option Appraisal**

The option appraisal process carried out for the review of the scheme followed a series of logical steps, which when taken together, provided a thorough and systematic appraisal method to allow effective comparison of alternative options.

Although this process appears as a sequence of small steps following a linear pattern, in practice it is best viewed as a series of small cycles. The main steps followed are summarised below: -

Decide on the aim of the scheme, i.e. the desired outcome and the objectives necessary to achieve this:

- Data gathering and analysis of findings;
- Generate a range of basic options;
- Appraise the options against criteria; and
- Select a preferred option and carry out statutory consultation about the selected option.

The Option Appraisal process was managed by an internal steering group comprising senior staff from across the Council.

## **Deciding the aim of the Scheme**

The overall purpose of the licensing scheme is to maintain minimum standards across the city in the most vulnerable sector of Coventry's private rental market by providing safer and healthier rented accommodation that is well managed with reduced overcrowding.

This is also a major contributing factor to the Council's Housing & Homelessness Strategy 2019-2024 which affirms the Council's view that housing is fundamental to the wellbeing of people, their families and their communities. Decent housing provides a stable base on which people can build their lives and build successful communities. Poor or unsuitable housing, however, can have negative impacts on many other areas of personal and community life as well as physical and mental health and wellbeing. If you do not have decent housing, everything else becomes much more difficult. Improving housing options, conditions and neighbourhoods within the city via delivery of this strategy is essential for economic growth, improving outcomes for children including their educational attainment, health and wellbeing, and community cohesion.

The main aim for the review and future of the scheme was therefore set around the purpose of the scheme and the Council's corporate priority of improving the use of existing homes. It was acknowledged by the officer steering group that the fundamental approach must be to enshrine the need to improve conditions and management of HMOs whilst maintaining minimum standards.

## **Objectives**

Objectives that would have to be realised to achieve this aim were therefore defined and included the need to:

- Maintain minimum standards of HMOs in the city;
- Raise the standard of HMOs in the city
- Improve management of HMOs in the city;
- Reduce the impact HMOs have on the surrounding area;
- Contribute to the creation of a viable and sustainable housing market;
- Promote long term confidence in the city;
- Support the existing community, in particular young and low income households; and
- Promote an improvement of conditions in the Private Rented Sector in the city.

## **Option Generation**

Following a detailed assessment of the data, which is provided in the review report, the next stage was to consider the generation of options which would seek to meet the stated aims and objectives and would deliver positive and lasting change.

The officer steering group developed and confirmed a range of options that could be applied to the City, each of them involving different levels of intervention and accordingly producing a different range of outcomes. These options ranged across the spectrum from statutory action only to complete renewal of the scheme. The officer steering group recognised that to be effective the review should consider all possible options.

The following options were considered:

**Option 1 – Statutory action only.** This is essentially the ‘base line’ position against which other options can be measured. It assumes that HMOs across the city will receive only minimum attention other than the action the Council is required by law to take to deal with poor conditions. i.e. mandatory licensing etc. Action would be by way of legal notices and orders. At some stage prosecutions would also have to take place. It is likely that this would do little to address environmental and management issues and this would most likely lead to a continuing spiral of decline with a growing need for intervention in future years. The aim and stated objectives would not be achieved.

**Option 2 – Renewal of the scheme in certain areas of the city.** This option assumes that the existing scheme is ‘renewed’ as necessary but only in certain areas of the city. The process of determination of these areas would be required but in essence this would create a situation where not all HMOs across the city are regulated consistently. In some parts of the city there are less HMOs but non compliance is found in all areas. Intervention to deal with these excluded areas would therefore be reduced if they were excluded from the scheme and this could result in an increase of HMOs in the excluded parts of the city and therefore less power available to the Council to deal with concerns and issues. This approach does not address the need for a comprehensive scheme and as an option it does little to meet the wider aspirations of the residents of the area or the aims and objectives of the scheme.

**Option 3 – Renewal of the scheme in its entirety.** This option assumes that the existing scheme will be ‘renewed’ in its entirety. The underlying basis of the option is that the Council will actively promote the Additional Licensing scheme and continue to implement the scheme under current conditions. Further reviews of the fees and charges structure would take place and options for extended licence periods would also be considered. i.e. 5 year licences for ‘gold’ standard landlords. This option would provide a level playing field for all HMOs and would ensure that the aims and objectives of the scheme were met.

### **Option Appraisal**

A series of decision rules, against which each of the options were to be appraised, were also set. Typically the final preferred option for the future of the scheme must:

- Be technically feasible
- Be in accordance with relevant statutory powers

- Contribute toward strategic objectives
- Be appropriate to the needs of the community
- Be financially deliverable

Each of these options were assessed against the decision rules and the objectives set (based on scoring on un-weighted and weighted criteria).

It is important that assessments are made of the options for the contribution they make in meeting the objectives for the Scheme and addressing the decision rules set. The decision rules included a financial element but it is vital that any decisions affecting the area are not based on cost alone. The final option would then be open to statutory consultation.

Officers agreed the decision rules, assessments and scoring criteria. The steering group set out the weightings and carried out the assessments against the criteria. The results of each assessment can be found below.

**Table 1 - Assessment of Options Against Decision Rules**

Decision Rule		Options		
		1	2	3
1	Be technically feasible	3	3	3
2	Be in accordance with relevant statutory powers	3	3	3
3	Contribute towards the strategic objectives	0	1	3
4	Be appropriate to the needs of the community	1	2	2
5	Financially deliverable	1	3	3
<b>Best fit against decision rules</b>		<b>8</b>	<b>12</b>	<b>14</b>

Scoring (How option conforms to the decision rules)
0 = Breaks Rule
1 = Meets rule in some respects
2 = Meets rule in most respects
3 = Meets rule in all respects

The results of the decision rule assessment show that Option 2 and 3 are more favourable than Option 1. Option 1 is technically feasible and could be implemented in accordance with the relevant statutory powers but it does very little to contribute toward any of the other decision rules and would make very little contribution to the aims and objectives of the Scheme.

Option 2 scored slightly lower than Option 3 (12 compared to 14) because it was felt by the steering group that by licensing certain parts of the city the non-licensed parts would suffer with an increase in HMOs and this would impact of those neighbourhoods a lot more than if the whole area was subject to licensing. The Council would also have very limited powers to deal with any issues in HMOs which were outside of the licensing scheme and so this would impact on the local community and would do very little to create a sustainable and viable housing market.

Option 3 meets all of the rules in all respects with the exception of 'appropriate to the needs of the community'. This rule scored slightly lower because it was felt by the steering group that a number of landlords who were part of the community may not agree that a scheme of licensing was appropriate to their needs.

Overall Option 3 (*Renew the scheme in its entirety*) scores higher than any other option and meets all the rules in most respects and is the preferred course of action for the future of the Scheme.

An assessment against the objectives set for the review of the scheme was carried out to determine which option made the most contribution toward the objectives. The results of this can be seen in the table below.

**Table 2 - Assessment Against Objectives (Unweighted)**

No.	Objective Criteria	1	2	3
1	Maintain minimum standards in HMOs in the city	4	4	4
2	Raise the standard of HMOs in the city	2	3	5
3	Improve management of HMOs in the city	1	3	4
4	Reduce the impact HMOs have on the surrounding area	1	2	5
5	Contribute to the creation of a viable and sustainable housing market	0	3	4
6	Promote long term confidence in the city	0	3	4
7	Support existing communities, in particular young and low income households	1	4	4
8	Promote an improvement of conditions in the PRS in the city	2	3	4

<b>Totals</b>		<b>11</b>	<b>25</b>	<b>34</b>
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The scores were recorded according to the following criteria:

<b>Scoring (Contribution objective makes in meeting the vision)</b>
0 = no contribution
1 = very little contribution
2 = limited contribution
3 = reasonable contribution
4 = significant contribution
5 = very significant contribution

The un-weighted assessment shows that Option 1 would have little or no effect in meeting the objectives of the scheme. Options 2 and 3 make more significant impact and would be the preferable over Option 1.

Option 2 scores significantly well against a number of the objectives but because of the piecemeal approach it promotes and the inability for the Council to deal with HMOs outside of the areas of the city that would be subject to licensing overall it scores less than Option 3. Option 3 is considered to be the better option for dealing with the whole range of objectives because it means that the Council is able to have a widespread and consistent impact in all areas across the whole range of objectives.

In order to test these options further a weighted assessment using the weighting factors agreed by officers was carried out. The weighting was selected to reflect the contribution each of the objectives makes to the overall aim of the Scheme. This provides a balanced assessment of all elements of the option appraisal. The results of this weighted assessment are shown in the table below.

The weighting was chosen to reflect the contribution each of the objectives makes to the aim of the scheme, which is to *'alleviate the housing situation by setting and maintaining minimum standards across the city in the most vulnerable sector of Coventry's private rental market'* using the following criteria:

<b>Weighting</b>
1 = Meets aim to some degree
2 = Meets aim to a large degree

3 = Meets aim to a greater degree or in full

**Table 3 - Assessment Against Objectives (Weighted)**

No	Objective Criteria	Weighting Factor	1	2	3
1	Maintain minimum standards in all HMOs	3	12	12	12
2	Achieve an improvement in conditions in all HMOs	2	4	6	10
3	Improve management of all HMOs	3	3	9	12
4	Reduce the impact HMOs have on the surrounding area	2	2	4	10
5	Contribute to the creation of a viable and sustainable housing market	2	0	6	8
6	Promote long term confidence in the area	1	0	3	4
7	Support existing communities, in particular young and low income households	3	3	12	12
8	Promote an improvement of conditions in the PRS	1	2	3	4
	<b>Totals</b>		<b>26</b>	<b>55</b>	<b>72</b>

The results of the weighted assessment support the findings of the decision rule assessment and the un-weighted objective assessment which is that Option 3 is the preferred course of action and will provide the ‘best fit’ for achieving the aim and objectives of the scheme.

The local authority officers agreed the decision rules, assessments and scoring criteria. The steering group set out the weightings and carried out the assessments against the criteria. Each option was assessed on an individual basis. The assessment summaries are set out below.

**Table 4 - Summary of Option Appraisal Assessments**

Assessment Method		Option 1		Option 2		Option 3	
		Rank	Score	Rank	Score	Rank	Score
1	Decision Rule Assessment	3 <sup>rd</sup>	8	2 <sup>nd</sup>	12	1 <sup>st</sup>	14
2	Objectives Assessment (un-weighted)	3 <sup>rd</sup>	11	2 <sup>nd</sup>	25	1 <sup>st</sup>	34
3	Objectives Assessment (weighted)	3 <sup>rd</sup>	26	2 <sup>nd</sup>	55	1 <sup>st</sup>	72

The table demonstrates that the most effective option is Option 3, and the least effective is option 1. The advantage of option 3 over option 2 increases significantly when considering the aims and objectives together.

On balance it is considered that **Option 3 better demonstrates that it meets the range of appraisal criteria and should be adopted within the preferred strategy.** It ranks 1<sup>st</sup> in all of the assessments and will best meet the aim and objectives for HMOs in the City.

### **Implementation**

The next stages for implementing the proposal of Option 3 must follow the legal process set out in the Housing Act 2004 and be in accordance with guidance



produced by Government. The Council also has internal procedures that must be adhered to ensure that the implementation of Option 3 is fully considered.

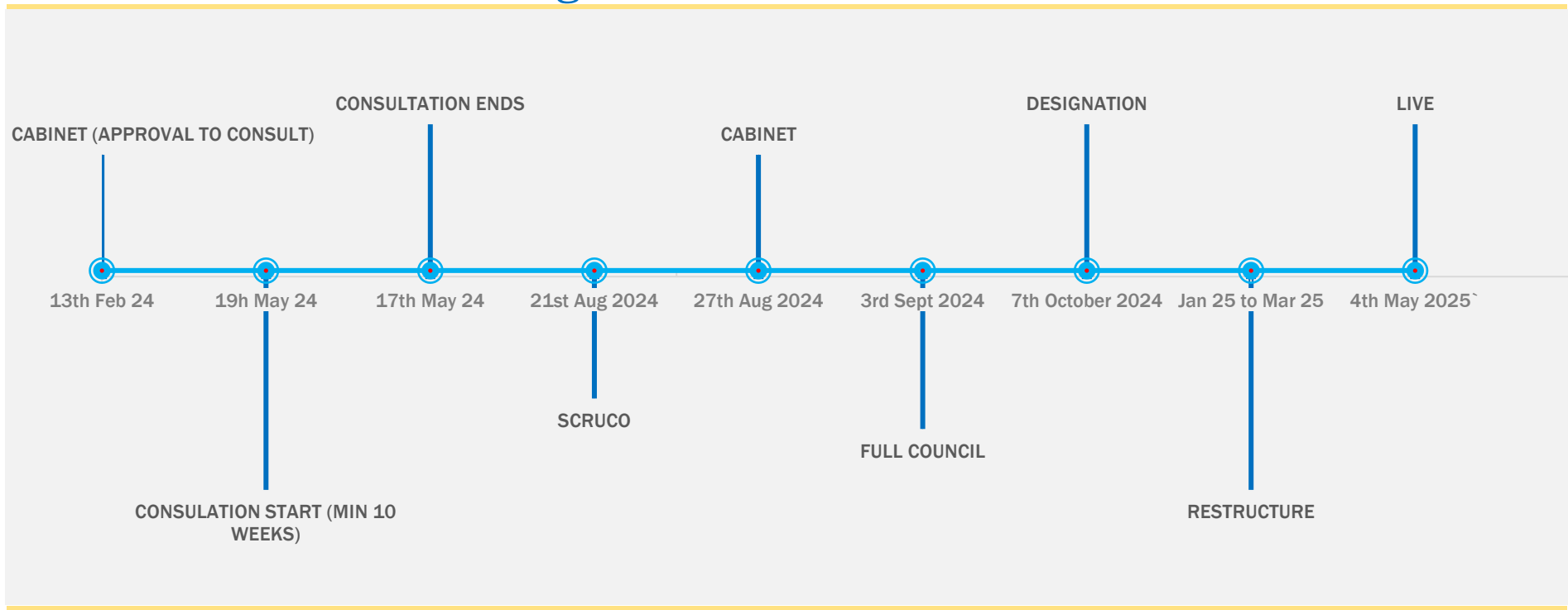
The Council will therefore be providing a summary of this report to the Cabinet Member for Housing and Communities in February 2024 setting out the key findings and recommendations for the renewal of the scheme.

The recommendations will include a proposal to commence a new designation on the 4<sup>th</sup> May 2025 for a period of 5 years. This would align with the end of the current scheme.

If approved the Council will proceed with the statutory consultation for a new designation for a period of 12 weeks and submit a future report to Cabinet Member for Housing and Communities setting out the results of the consultation and the structure of the new designation.

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# Additional Licensing Scheme

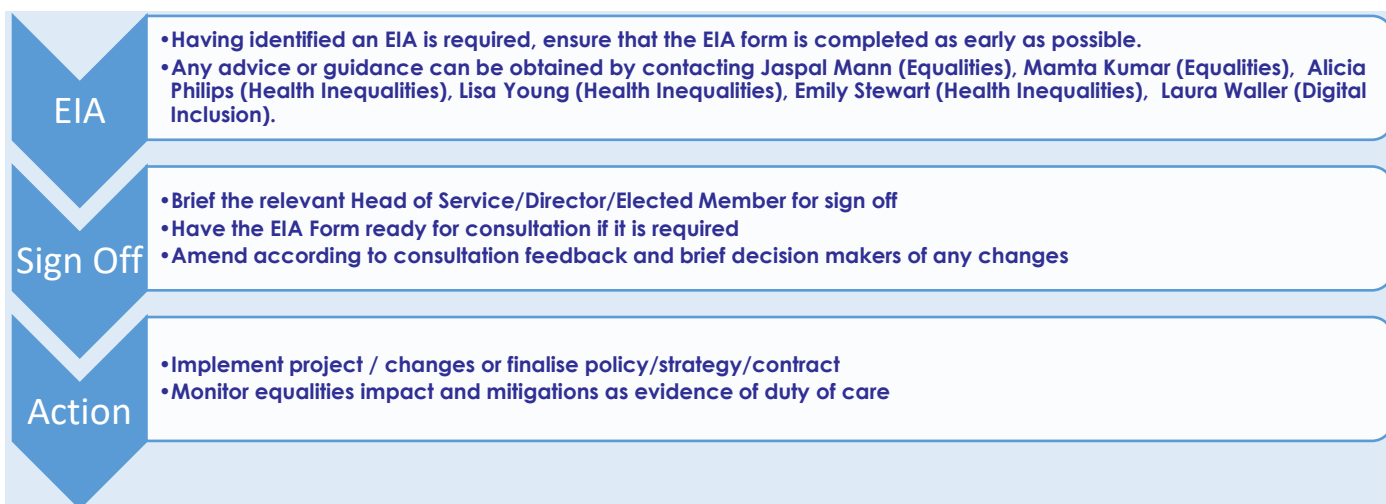


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## EQUALITY IMPACT ASSESSMENT (EIA)



<b>Title of EIA</b>	<b>HMO licensing consultation</b>	
<b>EIA Author</b>	Name	<b>Steven Chantler</b>
	Position	<b>Principal Environmental Health Officer</b>
	Date of completion	<b>15/11/23</b>
<b>Head of Service</b>	Name	<b>Davina Blackburn</b>
	Position	<b>Strategic Lead of Regulation</b>
<b>Cabinet Member</b>	Name	<b>David Welsh</b>
	Portfolio	<b>Cabinet Member for Housing and Communities</b>



PLEASE REFER TO [EIA GUIDANCE](#) FOR ADVICE ON COMPLETING THIS FORM

## SECTION 1 – Context & Background

### 1.1 Please tick one of the following options:

This EIA is being carried out on:

- New policy / strategy
- New service
- Review of policy / strategy
- Review of service
- Commissioning
- Other project (*please give details*)



### 1.2 In summary, what is the background to this EIA?

Coventry City Council implemented a city-wide HMO Additional Licensing scheme on 4 May 2020, which required all HMOs in the city to be licensed.

The Council has a duty to carry out a review of any discretionary licensing scheme it has implemented to determine if it is achieving the aim of improving management standards and property conditions for the tenants that live there. The scheme is now reaching its third year and as such this is an appropriate time to review it. The outcome of this review will help measure the effectiveness so far and will assist in informing a future decision on the renewal of any scheme designation.

The review is also intended to lead to service improvements within the remaining life of the existing scheme and for any future scheme and will provide a positive way of engaging with partners, both internal and external, landlords and tenants, and as such has the additional benefit of raising awareness of HMO licensing.

### 1.3 List organisations and people who are involved in this area of work?

Landlords  
Agents  
Tenants in the Private Rented Sector  
Residents living in the city

## SECTION 2 – Consideration of Impact

*Refer to guidance note for more detailed advice on completing this section.*

In order to ensure that we do not discriminate in the way our activities are designed, developed and delivered, we must look at our duty to:

- Eliminate discrimination, harassment, victimisation and any other conflict that is prohibited by the Equality Act 2010
- Advance equality of opportunity between two persons who share a relevant protected characteristic and those who do not
- Foster good relations between persons who share a relevant protected characteristic and those who do not

### 2.1 Baseline data and information



- Please include an analysis of the equalities data your service holds. This could include surveys, complaints, compliments, management information and customer profiles. *(Please refer to Diversity Guide)*
- Where possible compare your data to local data using
  - Facts about Coventry
  - Census 2011
  - Census 2021
  - JSNA

Coventry's population size has increased by 8.9%, from around 317,000 in 2011 to 345,300 in 2021. Historically, Coventry has been one of the youngest cities in the UK, with a fast-growing population of young adults aged 18-29 and a median age of 32 years compared to the UK average of 40. In the coming years, this is expected to change rapidly, with the 65+ age group expected to become the fastest-growing demographic over the next 15 years. As of 2020, people aged 75+ represent just 6% of the city's population, compared to the UK average of 9%; but by 2043, the proportion of people aged 75+ is expected to grow to nearly 8%.

Affordability of home ownership has worsened in 2022, full-time employees could expect to spend around 8.3 times their annual earnings buying a home.

The Coventry Homefinder register for social housing has approximately 8,200 applicants at any one time and all of these households have a recognised housing need. Approx 1,500 of these are in Band 1 and have an urgent housing need as set out in the Homefinder policy however there are less than 1,000 social housing lettings per annum in Coventry across all Housing Associations working in the city.

The rate of social renting in Coventry remained at 17.0%, while the rate of home ownership decreased from 60.6% to 57.4%.

The Strategic Housing Market Assessment calculated a need for an additional 42,000 homes by 2031 to meet the growth needs of Coventry, including 12,000 additional affordable homes.

In Coventry, the percentage of private renting increased from 20.6% in 2011 to 24.7% in 2021 and the median monthly rent recorded in October 2023 was £641.60.

The English Indices of Deprivation 2019 were published by government department MHCLG on the 30<sup>th</sup> of September 2019. They rank all small areas in England according to different measures of deprivation and are the most widely used measure of deprivation. Seven domains of deprivation are combined to produce the overall Index of Multiple Deprivation. Each domain contains a number of component indicators including Income, Employment, Health and Disability, Education Skills and Training, Barriers to Housing and Other Services, Crime and Living Environment.

It puts the 326 Local Authority Districts into a rank order based on the population weighted average rank of all areas with a rank of 1 being the most deprived.



Overall, Coventry has improved notably between the IMD 2015 and the IMD 2019 relative to other local authority areas. This does not necessarily imply absolute improvement.

Depending on the way it is measured, Coventry ranks between 64th and 81st most deprived local authority area of 317 in England.

28 out of Coventry's 195 neighbourhoods (14%) are amongst the most deprived 10% in England, a reduction from 36 in the IMD 2015.

There was relative improvement across all domains apart from the living environment, the area in which Coventry fares least well relatively. This measures the quality of housing, air quality and road traffic accidents.

The Crime domain and the Barriers to housing and services are areas in which Coventry is in the best position relatively; these domains also showed the biggest relative improvement since the IMD 2015.

There was not a strong pattern of improvement in the IMD by deprivation decile, the areas that were more deprived in 2015 improved to a similar degree to those that were less deprived originally.

We are now half way through the scheme and have collected a lot of data in relation to property improvements that have been made to the properties in terms of repair and maintenance, which will be baselined from the scheme's inception. The review and consultation process will seek to speak stakeholders to gauge their satisfaction of the scheme and what impact it has made to their lives.

**2.2 On the basis of evidence, complete the table below to show what the potential impact is for each of the protected groups.**

- Positive impact (P),
- Negative impact (N)
- Both positive and negative impacts (PN)
- No impact (NI)

*\*Any impact on the Council workforce should be included under question 5.0 – not below*

Protected Characteristic	Impact type P, N, PN, NI	Nature of impact and any mitigations required
Age 0-18	<b>P</b>	HMOs are aimed at those whose needs are not met by the market. Whilst those aged 0-18 would generally not be directly able to access HMO products, many will live in households where their parents and carers will not be able to afford open market homes and thus they will indirectly benefit from the policies. 22.5% of children live in low income families which is above the regional and national average (20.2% and 17% respectively) <sup>2</sup>



## EQUALITY IMPACT ASSESSMENT (EIA)



Age 19-64	<b>P</b>	HMO housing is aimed at those whose needs are such that they cannot or are unable to buy in the open market for a variety of social and economic reasons. The average gross disposable household income for Coventry is below the regional and national average (£15,353 per head per annum compared to £18,222 and £21,609 respectively in 2018), and the average house price was £185,000 (October 2019 to September 2020 figures). Currently the claimant count stands at 15,320 (ONS July 2021) compared to 8,000 in March 2020. HMO licensing improves the quality of HMOs. HMOs have the potential to benefit the wider local community by reducing social and environmental factors associated with high concentrations of HMOs relating to noise, rubbish and general up keep.
Age 65+	<b>P</b>	See above in terms of disposable household income and average house prices. The option of residing in an HMO applicable depending upon the individual / household circumstances.
Disability	<b>ID</b>	Property licensing is intended to raise the standards of condition and management by landlords of rented properties. Therefore, tenants with a disability should benefit from the licensing regime as there are minimum standards set for amenities and licence conditions relating to the property which landlords must comply with. There is no known impact on landlords who have a disability, except in as much as assistance is available by phone and email from council officers for those having difficulty using online application and payment systems.
Gender reassignment	<b>ID</b>	There is no known impact on landlords or tenants who have gender reassignment, except that one of the benefits of licensing schemes is to reduce the incidence of harassment of tenants by landlords or attempts by landlords to unlawfully evict tenants.
Marriage and Civil Partnership	<b>ID</b>	No direct impact although the option of residing in an HMO will be applicable depending upon the individual / household circumstances.
Pregnancy and maternity	<b>ID</b>	No direct impact although the option of residing in an HMO will be applicable depending upon the individual / household circumstances.
Race (Including: colour, nationality, citizenship ethnic or national origins)	<b>ID</b>	No direct impact although Coventry has a diverse population and affordable housing will be applicable depending upon the individual / household circumstances.
Religion and belief	<b>ID</b>	No direct impact although the option of residing in an HMO will be applicable depending upon the individual / household circumstances.
Sex	<b>ID</b>	No direct impact although the option of residing in an HMO will be applicable depending upon the individual / household circumstances.

## EQUALITY IMPACT ASSESSMENT (EIA)



Sexual orientation	ID	No direct impact although the option of residing in an HMO will be applicable depending upon the individual / household circumstances
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<sup>2</sup> <https://www.gov.uk/government/statistics/children-in-low-income-families-local-area-statistics-201415-to-201819>

### SECTION 3 – HEALTH INEQUALITIES - See the health inequalities pre EIA guidance sheet for this section.

<b>3</b>	<b>Further information on health inequalities is available on the Intranet</b>
----------	--

#### 3.1 Please tell us how the proposal you are submitting this EIA form will reduce health inequalities:

*Please include which Marmot Principles this work covers.*

Coventry is a Marmot City. The Marmot approach of using ‘Proportionate Universalism’ shows how allocating resources across the social gradient, but proportionate to peoples need, can benefit everyone and help improve health equity. This also shifts resources from always being reactive to a more preventative way of working.

Benefits for you if you are a private tenant: Improved standards of property, security and decency, Increased safety in your own home through elimination of rogue landlords, and protection from illegal evictions, better information on your rights and expected standards in your home, better protection of vulnerable tenants

Improvements in partnerships between us and other agencies, such as the police and fire brigade. More effective tackling of issues, such as antisocial behaviour, crime and poor / dangerous housing conditions

The Marmot Review [“Fair Society, Healthy Lives”, 2010] notes that ‘The more deprived the neighbourhood, the more likely it is to have social and environmental characteristics presenting risks to health’.

#### Coventry’s Headline Statistics

1. The population of Coventry is around 345,300.
2. The average (median) age of residents of Coventry is 35 years of age (compared with 40 nationally).
3. Life expectancy is 10.7 years higher for men and 8.3 years higher for women in the least deprived areas of Coventry than in the most deprived areas.
4. In the latest census, around 242,100 Coventry residents said they were born in England. This represented 70.1% of the local population.
5. 55.9% of Coventry’s school children are from an ethnic minority group compared with 35.0% nationally.
6. Children living in poverty (financial year ending 2021) 22.9% compared with 18.5% nationally

## EQUALITY IMPACT ASSESSMENT (EIA)



7. In 2020 the percentage of households in fuel poverty in Coventry increased to 20.3% from 18.8% in 2019.
8. Depending on the way it is measured, Coventry ranks between 64th and 81st most deprived local authority area of 317 in England.
9. Coventry has an Income Deprivation Affecting Children Index (IDACI) score of 0.218 (2019). This measures the proportion of all children aged 0 to 15 living in income-deprived families. The average for West Midlands combined authority is 0.235.
10. Coventry has an Income Deprivation Affecting Older People Index (IDAOPI) score of 0.190 (2019). This measures the proportion of all those aged 60 or over who experience income deprivation. The average for West Midlands combined authority is 0.203.

There is significant body of evidence (Marmot Review) which demonstrates that there is a strong link between a residents health and poor housing, By raising the standard of housing it will have a positive impact on a residents health and wellbeing

Marmot principles		
1	Give every child the best start in life	<input checked="" type="checkbox"/>
2	Enable all children, young people, and adults to maximise their capabilities and have control over their lives	<input checked="" type="checkbox"/>
3	Ensure a healthy standard of living for all	<input checked="" type="checkbox"/>
4	Create fair employment and good work for all	<input type="checkbox"/>
5	Create and develop healthy and sustainable places and communities	<input checked="" type="checkbox"/>
6	Strengthen the role and impact of ill health prevention	<input checked="" type="checkbox"/>
7	Tackle racism, discrimination and their outcomes	<input type="checkbox"/>
8	Pursue environmental sustainability & health equity	<input checked="" type="checkbox"/>

### 3.2 What information do you have to show you are going to reduce health inequalities:

#### Think:

Coventry has an estimated population of approximately 345,300. Census 2021 data suggests that Coventry's population has a much younger age profile than England in general; it is the younger population that is on the increase with a decline in the over 75's. The average age of Coventry's



residents is 33 years, notably lower than the England average of 40 years, and is falling. The student population means there is continually a large population aged 16-24, this age group makes up 13.7% of the population.

The growth and increase in the size of the Private Rented Sector (PRS) has been a significant change in the housing market in Coventry. In 2021 there were approximately 33,000 households living in the PRS. HMOs are a major concern for the Council with the Census 2021 suggesting that HMOs currently make up a quarter of the PRS.

The trend over many years has been for the HMO stock to grow steadily within the city. The Council has produced a Housing Strategy which recognises that, amongst other things, there is limited social affordable housing available in the city making it clear that the private rented sector will need to play a greater role in meeting housing needs in the city. Additional Licensing is part of a wider set of measures to enable landlords to provide good quality housing within their communities and will help alleviate the housing situation by setting and maintaining minimum standards across the city in the most vulnerable sector of Coventry's private rental market.

**Support for people and communities** - Some communities are experiencing the impact of an increasing proportion of housing that is converted to multiple occupation, especially (but not exclusively) for student housing. Where HMOs are well managed and maintained, they provide an important housing option. However, where there is poor management and poor standards, this can have a detrimental effect on the occupiers and adversely impact on the local community.

**Improving the use of existing homes** - It is important to increase the number of homes to meet the city's growth needs, but the majority of housing available in the city is already in existence. There are approximately 142,000 existing homes in the city, compared to 24,600 additional homes to be provided over the life of the Local Plan (to 2031). The condition of the existing housing stock is important to ensure that residents are living in decent, safe accommodation which is suited to their needs. Rented homes must be well managed by landlords who meet their responsibilities, and tenants should understand their rights and their own responsibilities too.

The Housing Strategy links into other key strategies, including, the One Coventry Plan, the Health and Wellbeing Strategy and the Climate Change Strategy by contributing to the delivery of the key corporate priorities.

Regulatory Services is responsible for regulating the housing sector and embraces a range of service areas used by people, businesses and organisations and through this work profile "seeks to ensure that the public, visitors, workers and residents of Coventry have a healthy and safe work and domestic environment." through education, persuasion and enforcement activities. The teams within the service are responsible for ensuring properties and landlords in the PRS meet minimum legal requirements.



The service has been working with landlords to improve conditions within the HMO stock of the city through the national mandatory HMO licensing scheme as well as statutory regulatory functions relating to maintaining minimum standards in properties in the sector.

A variety of interventions have been used in Coventry to tackle problems in the HMO stock in the city. With the introduction of the Additional Licensing Scheme the service was structured in such a way as to concentrate on HMO applications with a dedicated team of Property Licensing Assistants supporting our team of Environmental Health Officers who are responsible for inspecting the HMOs and investigating non-compliance. There is a very close working relationship between the two teams. The service provided by the HMO Team is supported by a dedicated Tenancy Relations Officer who works alongside them, providing advice and assistance to landlords and agents about their rights and responsibilities.

Where serious breaches occur legal action has been taken which has led to convictions and, in some cases Banning Orders. In many cases the Tenancy Relations Officer prevents homelessness through their involvement with proactive casework.

### **3.3 Who/which groups of people might face the biggest health inequalities for your work and why: What can be done to improve health equity for the groups of people you have identified?**

#### **People from different ethnic groups**

HMOs are occupied by a diverse population, and such communities can be particularly affected by overcrowding, illegal accommodation, substandard conversions and poor management.

**Potential benefit:** Additional Licensing brings improved quality and safety of accommodation for tenants living in HMOs and assist in the identification and removal of landlords who cause negative impact to vulnerable groups or new communities via substandard or illegal accommodation. This would also be a benefit to all compliant landlords as it would ensure all landlords are operating within the legislative framework.

**Children and Vulnerable Adults** – the licensing scheme will have a positive benefit on the safeguarding of children and vulnerable adults as the fit and proper test will prevent persons managing or being a licence holder who has convictions for sexual offences, drugs, fraud etc.

**Potential adverse impact:**



### **Landlords**

In regulating hazards in privately rented properties, owners and agents who are regulated against may feel that they have been adversely impacted upon. However there are no other ways in which the service could be provided that would achieve these aims without adverse impact. Ultimately, when working within the legislative framework, people have a right to legal redress should they feel that a decision was unfairly/unlawfully taken; this can be via an appeal process or the Council's Complaints system

### **Tenants**

Concern has been raised that licensing could cause an increase in rents as a result of the increased landlord expenditure on the licence fee and the costs of complying with licensing conditions being passed onto the tenant. Overall, the additional cost of the licence fee to landlords is considered to be small as a proportion of rental income, especially across the term of the licence it should not equate to more than a few pounds per week for compliant landlords.

A comparison was conducted to assess the movement of rental values for single rooms and, in particular if licensing of HMOs has had a direct impact on increasing rental values in areas which had licensing schemes and those which did not have licensing schemes. The study found that the rents are not dissimilar to increases experienced in other areas in the region and England where additional licensing schemes are not in operation.

### **From looking at this information, who/which groups of people might face the biggest health inequalities for your work and why**

Property licensing is intended to raise the standards of condition and management by landlords of rented properties. Therefore, everybody should benefit from the licensing regime as there are minimum standards set for amenities and licence conditions relating to the property which landlords must comply with.

### **3.4 What can be done to improve health equity for the groups of people you have identified?**

To make advice and guidance available to landlords and tenants according to their needs, such as where English is not the first language. We ensure that when we take enforcement action it is in line with the Enforcement Policy, which means that action must be proportionate and reasonable.

## EQUALITY IMPACT ASSESSMENT (EIA)



### SECTION 4 - DIGITAL EXCLUSION INEQUALITIES

Please consider the digital exclusion information in the supporting document prior to completing this section.

#### 4.1 Starting point:

Thinking of the main aims of your work area that this EIA is for; does your work area impact digital inequalities or exacerbate? Y

- Assistance to be offered to all landlords to complete the application form and on-going help and advice will be given.

#### 4.2 4.1 Reducing digital exclusion inequalities

Where are the opportunities for your area to reduce digital exclusion inequalities and embed supports/interventions as part of your work?

Again assistance to be offered to all landlords to complete the application form and on-going help and advice will be given.

#### 5.0 Will there be any potential impacts on Council staff from protected groups?

No

You should only include the following data if this area of work will potentially have an impact on Council staff. This can be obtained from: [Nicole.Powell@coventry.gov.uk](mailto:Nicole.Powell@coventry.gov.uk)

**Headcount:**

**Sex:**

**Age:**

## EQUALITY IMPACT ASSESSMENT (EIA)



Female	
Male	

**Disability:**

Disabled	
Not Disabled	
Prefer not to state	
Unknown	

**Ethnicity:**

White	
Black, Asian, Minority Ethnic	
Prefer not to state	
Unknown	

**Sexual Orientation:**

Heterosexual	
LGBT+	
Prefer not to state	
Unknown	

16-24	
25-34	
35-44	
45-54	
55-64	
65+	

**Religion:**

Any other	
Buddhist	
Christian	
Hindu	
Jewish	
Muslim	
No religion	
Sikh	
Prefer not to state	
Unknown	

**6.0 How will you monitor and evaluate the effect of this work?**

<b>6.1</b>	<b>Action Planning</b>	
<b>Issue Identified</b>	<b>Planned Action</b>	<b>Timeframe</b>



## EQUALITY IMPACT ASSESSMENT (EIA)




### 7.0 Completion Statement

**As the appropriate Head of Service for this area, I confirm that the potential equality impact is as follows:**

No impact has been identified for one or more protected groups

Positive impact has been identified for one or more protected groups

Negative impact has been identified for one or more protected groups

Both positive and negative impact has been identified for one or more protected groups

### 8.0 Approval

<b>Signed: Head of Service:</b>  <b>Davina Blackburn</b>	<b>Date:</b>  <b>16/11/2023</b>
<b>Name of Director:</b>  <b>Julie Newman</b>	<b>Date sent to Director:</b>  <b>18/01/2024</b>
<b>Name of Lead Elected Member:</b>  	<b>Date sent to Councillor:</b>  <b>22/01/2024</b>

Email completed EIA to [equality@coventry.gov.uk](mailto:equality@coventry.gov.uk)

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## Public report

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Council

3 September 2024

**Name of Cabinet Member:**

Leader of the Council – Councillor G Duggins

**Director Approving Submission of the report:**

Director of Law and Governance

**Ward(s) affected:**

Not Applicable

**Title:**

**Amendment to Allocation of Executive Functions within Cabinet**

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**Is this a key decision?** No

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**Executive Summary:**

At the Annual General Meeting of the Council on 16 May 2024, the Leader informed Council of the allocation of Executive Functions within Cabinet for the Municipal Year 2024/25.

Councillor David Welsh was appointed by the Leader as the Cabinet Member for Housing and Communities, however following his indication of his intention to resign as a St Michael's Ward Councillor with effect from the end of August 2024, in accordance with the Constitution, this report informs Council of a change to the allocation of Executive Functions made by the Leader of the Council to appoint Councillor Naeem Akhtar as Cabinet Member for Housing and Communities with effect from 2 September 2024.

**List of Appendices included:**

None

**Useful background papers:**

None

**Has it or will it be considered by Scrutiny?**

No

**Has it, or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**  
Yes – 3 September 2024

**Report title: Amendment to Allocation of Executive Functions within Cabinet and Amendments to Appointments 2024/25**

**1. Context (or background)**

- 1.1 At the Annual General Meeting of the Council on 16 May 2024, the Leader informed Council of the allocation of Executive Functions within Cabinet for the Municipal Year 2024/25.
- 1.2 The Council's Constitution enables the Leader of the Council to amend the allocation of Executive Functions within Cabinet. On 1 August 2024, in accordance with Paragraph 9.4 of Part 2B of the Constitution, the Leader of the Council, Councillor G Duggins, notified the Director of Law and Governance that, following Councillor David Welsh's indication of his intention to resign as a St Michaels Ward Councillor with effect from the end of August 2024, Councillor Naeem Akhtar had been appointed to the role of Cabinet Member Housing and Communities with effect from 2 September 2024.
- 1.3 By virtue as his appointment as Cabinet Member for Housing for Communities, Councillor N Akhtar is appointed to the following Council Bodies:

Coventry Shareholders Committee  
Cabinet Member for Housing and Communities – Local Development Plan Advisory Panel (Chair)  
Cabinet Member for Policing and Equalities Good Citizen Award Advisory Panel  
Invitee to Planning Committee

**2. Options considered and recommended proposal**

Not applicable

**3. Results of consultation undertaken**

Not applicable

**4. Timetable for implementing this decision**

The Leader has appointed Councillor N Akhtar as Cabinet Member for Communities and Housing with effect from 2 September 2024.

**5. Comments from the Director of Finance and Resources and the Director of Law and Governance**

**5.1 Financial implications**

There are no financial implications arising from this report.

## 5.2 Legal implications

In accordance with Paragraph 9.4 of Part 2B of the Constitution, the Leader has the authority to alter the allocation of Executive Functions within Cabinet and is required to report on any such alterations to the next available meeting of Council. This report fulfils that requirement.

## 6. Other implications

Not applicable

**Report author:**

**Name and job title:**

Suzanne Bennett  
Governance Services Co-ordinator

**Service Area:**

Law and Governance

**Tel and email contact:**

Tel: 024 7697 2299  
E-mail: Suzanne.bennett@coventry.gov.uk

Enquiries should be directed to the above person.

<b>Contributor/approver name</b>	<b>Title</b>	<b>Service Area</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
Adrian West	Head of Governance	Law and Governance	05/08/24	16/08/24
<b>Names of approvers: (Officers and Members)</b>				
Ewan Dewar	Head of Finance	-	19/08/24	19/08/24
Julie Newman	Director of Law and Governance	-	05/08/24	05/08/24
Councillor G Duggins	Leader of the Council	-	06/08/24	07/08/24

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## Public report

Council

3 September 2024

**Name of Cabinet Member:**

Leader of the Council – Councillor G Duggins

**Director Approving Submission of the report:**

Director of Law and Governance

**Ward(s) affected:**

Not Applicable

**Title:**

**Amendments to Appointments to Council Bodies 2024/25**

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**Is this a key decision?** No

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**Executive Summary:**

This report seeks approval to amendments to appointments to Council bodies which have arisen as a result of the notification by Councillor David Welsh of his intention to resign as a St Michael's Ward Councillor with effect from the end of August 2024 and the Leader's decision to make changes to the allocation of Executive Functions, by appointing Councillor Naeem Akhtar as the Cabinet Member for Housing and Communities with effect from 2 September 2024.

**Recommendation:**

That Council:

- 1) Notes that, following his appointment as Cabinet Member for Communities and Housing, effective from 2 September 2024, Councillor Naeem Akhtar is no longer Chair of the Scrutiny Co-ordination Committee or a member of Planning Committee
- 2) Considers any appointments to the vacancies to Council bodies which will be moved at the meeting.

**List of Appendices included:**

None

**Useful background papers:**

None

**Has it or will it be considered by Scrutiny?**

No

**Has it, or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

Yes – 3 September 2024

**Report title: Amendment to Allocation of Executive Functions within Cabinet and Amendments to Appointments 2024/25**

**1. Context (or background)**

- 1.1 At the Annual General Meeting of the Council on 16 May 2024, the Leader informed Council of the allocation of Executive Functions within Cabinet for the Municipal Year 2024/25 and appointments were made to Council and outside bodies for 2024/25.
- 1.2 The Council's Constitution enables the Leader of the Council to amend the allocation of Executive Functions within Cabinet. On 1 August 2024, in accordance with Paragraph 9.4 of Part 2B of the Constitution, the Leader of the Council notified the Director of Law and Governance that, following Councillor David Welsh's indication of his intention to resign as a St Michaels Ward Councillor with effect from the end of August 2024, Councillor N Akhtar had been appointed to the role of Cabinet Member Housing and Communities with effect from 2 September 2024.
- 1.3 Councillor Welsh's resignation and Councillor N Akhtar's appointment will leave a number of vacancies on Council bodies. As a member of Cabinet, Councillor N Akhtar cannot be a Member of the following Council bodies to which he was appointed to at the AGM:

Chair of the Scrutiny Co-ordination Committee  
Planning Committee

- 1.4 The Chair of the Scrutiny Co-ordination Committee is also an ex officio member of the following Council bodies:

Cabinet Advisory Panel - Local Development Plan  
Cabinet Member for Policing and Equalities Advisory Panel - Coventry  
Award of Merit

- 1.5 Councillor Welsh's resignation has left vacancies on the following additional Council bodies:

Ethics Committee  
Cabinet Member for Policing and Equalities - Electoral Arrangements  
Advisory Panel

- 1.6 Following Councillor Welsh's resignation at the end of August 2024 there will be one vacancy on the Council until a by-election is held in St Michael's Ward.

**2. Options considered and recommended proposal**

Council is recommended to:

- 1) Note that, following his appointment as Cabinet Member for Communities and Housing, effective from 2 September 2024, Councillor Naeem Akhtar is no longer

Chair of the Scrutiny Co-ordination Committee or a member of Planning Committee

- 2) Consider any appointments to the vacancies to Council bodies which will be moved at the meeting.

**3. Results of consultation undertaken**

Not applicable

**4. Timetable for implementing this decision**

The Leader appointed Councillor N Akhtar as Cabinet Member for Communities and Housing with effect from 2 September 2024. Other amendments to appointments to Council bodies will take effect from the date of the Council meeting.

**5. Comments from the Director of Finance and Resources and the Director of Law and Governance**

5.1 Financial implications

There are no financial implications arising from this report.

5.2 Legal implications

The proposed amendments to the appointments to Council bodies are in line with the Constitution and the political group proportionality requirements.

**6. Other implications**

Not applicable

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<b>Names of approvers: (Officers and Members)</b>				
Ewan Dewar	Head of Finance	-	19/08/24	19/08/24
Julie Newman	Director of Law and Governance	-	06/08/24	06/08/24
Councillor G Duggins	Leader of the Council	-	06/08/24	07/08/24

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## **Council Meeting**

3 September 2024

### **Booklet 1**

Written Questions

<b>1.</b>	<p><b>QUESTION SUBMITTED BY: Councillor M Lapsa</b></p> <p><b>TO BE ANSWERED BY: Cabinet Member for City Services</b></p>
<p><b>TEXT OF QUESTION:</b></p> <p>“Can the Cabinet Member inform the Chamber how many estates in Coventry have yet to be adopted over 5 years after being built?”</p>	

<b>2.</b>	<p><b>QUESTION SUBMITTED BY: Councillor J Gardiner</b></p> <p><b>TO BE ANSWERED BY: Cabinet Member for City Services</b></p>
<p><b>TEXT OF QUESTION:</b></p> <p>“Could the Cabinet Member tell us what are the latest figures for garden waste registrations? How many garden waste bins were being collected before subscription?”</p>	

<b>3.</b>	<p><b>QUESTION SUBMITTED BY: Councillor J Gardiner</b></p> <p><b>TO BE ANSWERED BY: Cabinet Member for City Services</b></p>
<p><b>TEXT OF QUESTION:</b></p> <p>“Could the Cabinet Member tell us how many garden waste bins have been retrieved and taken out of circulation since subscription began?”</p>	

<b>4.</b>	<p><b>QUESTION SUBMITTED BY: Councillor J Gardiner</b></p> <p><b>TO BE ANSWERED BY: Cabinet Member for Strategic Finance and Resources</b></p>
<p><b>TEXT OF QUESTION:</b></p> <p>“Could the Cabinet Member tell us how many calls a week are we receiving about garden waste and how is this impacting our customer services department?”</p>	



<b>5.</b>	<p><b>QUESTION SUBMITTED BY: Councillor J Gardiner</b></p> <p><b>TO BE ANSWERED BY: Cabinet Member for City Services</b></p>
<p><b>TEXT OF QUESTION:</b></p> <p>“In the light of the concerns of many residents for night time safety, what research has been done to assess the safety impact of turning off street lighting at night time.”</p>	

<b>6.</b>	<p><b>QUESTION SUBMITTED BY: Councillor J Gardiner</b></p> <p><b>TO BE ANSWERED BY: Cabinet Member for Housing and Communities</b></p>
<p><b>TEXT OF QUESTION:</b></p> <p>“Can the Cabinet Member explain the 400k overspend last year much of which was attributed to the award of planning appeal cost against the Council with regard to the application for much needed housing development of 690 dwellings at Abbots Lane ultimately granted at planning appeal.”</p>	

<b>7.</b>	<p><b>QUESTION SUBMITTED BY: Councillor P Male</b></p> <p><b>TO BE ANSWERED BY: Cabinet Member for Strategic Finance and Resources</b></p>
<p><b>TEXT OF QUESTION:</b></p> <p>“Can the Cabinet Member provide details of missed Council Tax payments for the last 5 years?”</p>	

<b>8.</b>	<p><b>QUESTION SUBMITTED BY: Councillor J Lepoidevin</b></p> <p><b>TO BE ANSWERED BY: Cabinet Member for City Services</b></p>
<p><b>TEXT OF QUESTION:</b></p> <p>“Can the Cabinet Member for Highways advise why the council highways department is unable to provide a time frame for when the potholes will be repaired in Upper Eastern Green Lane?”</p>	

