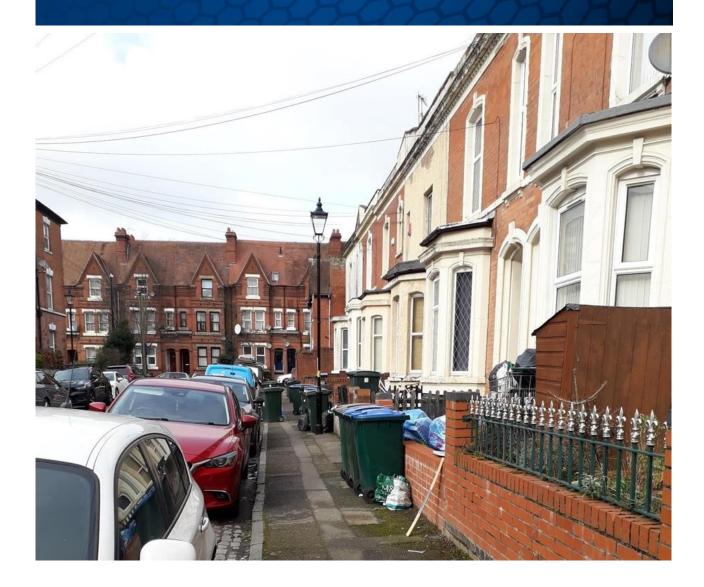
# HMO Licensing

Review of Additional HMO Licensing Scheme 2020 - 2025

December 2023



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#### Introduction

This report provides the findings of a review carried out on the Additional HMO Licensing Scheme, which came into operation in Coventry on the 4<sup>th</sup> May 2020.

#### Why now?...

In 2019 the Council approved a report to designate the whole of its area subject to Additional Licensing. The scheme runs for a period of 5 years, it commenced on the 4<sup>th</sup> May 2020 and will cease on the 4<sup>th</sup> May 2025.

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'.

This review fulfils the responsibility under the legislation but also provides the Council with a progress report which will be used as a platform for considering the future of the scheme.

#### 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.

Additional Licensing in Coventry provides a mechanism to secure the improvement of all of the HMO stock in the city and is a significant undertaking by the Council. When it was first introduced the overall purpose of the licensing scheme was 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'*.

This is also a major contributing factor to meeting the Council's Corporate priorities of:

- 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

#### What is an HMO?

An HMO (House in Multiple Occupation) is defined in Sections 254 and 257 of the Housing Act 2004. An HMO can be a building or part of a building if it is:

- Occupied by persons who form more than one household, and where those persons share (or lack) one or more basic amenities, such as a WC, personal washing and cooking facilities;
- A converted building containing one or more units of accommodation that do not consist entirely of self-contained flats. (There is no requirement that the occupiers share facilities); or

• A converted building consisting entirely of self-contained flats, where the building work undertaken in connection with the conversion did not comply with the 1991 Building Regulations and more than one third of the flats are occupied under short tenancies.

The HMO must be occupied by more than one household:

- As their only or main residence
- As a refuge by persons escaping domestic violence
- During term time by students

In all cases:

- Occupation of the living accommodation must be the only use of that accommodation
- Rents are payable or other considerations are provided

Under the Housing Act 2004, a **household** comprises:

- A single person
- Co-habiting couples (whether or not of the opposite sex)
- A family (including foster children and children being cared for) and current domestic employees.

Certain types of buildings will not be HMOs for the purpose of the Housing Act. They are:

- Buildings, or parts of buildings, occupied by no more than two households, each of which comprise a single person only (for example, two-person house or flat shares)
- Buildings occupied by a resident landlord with up to two tenants
- Buildings managed or owned by a public sector body, such as the police, local authority, registered social landlords, fire and rescue authority and the NHS
- Buildings occupied by religious communities
- Student halls of residence where the education establishment has signed up to an Approved Code of Practice
- Buildings occupied entirely by freeholders or long leaseholders

#### Key findings of the review

Findings from the review can be seen below and further details can be found in the **Supporting Information** section of this report. Since the introduction of the Scheme the Council has:

- Issued licences for **2,750 HMOs.**
- Processed over **3,820 applications** for new and renewed licences.
- Carried out a total of **6,178 visits** to HMOs.
- Responded to **2,754 complaints** about living conditions and management of HMOs.
- Seen a **positive impact** in the reduction of the number of service requests received since the introduction of the scheme.
- Attached around **11,598** discretionary conditions to achieve minimum standards at all licenced HMOs.
  - **5,232** related to Fire safety
  - **1,606** related to Health and Safety, and
  - **4,760** to amenities and facilities.

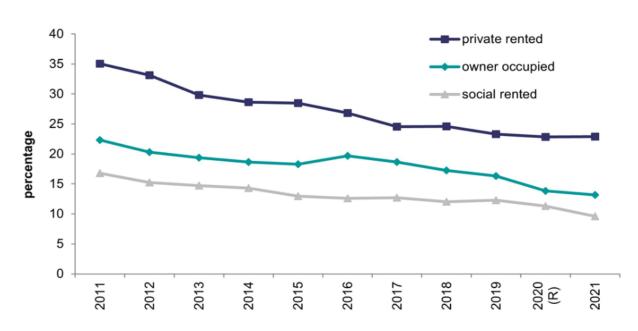
- Estimated that around **£1.6 million has been invested into improving HMOs** by way of complying with the licence conditions.
- Issued **1095 chase** letters/emails to landlords to make their HMO applications valid.
- Issued **78 Civil Penalties** to landlords who failed to licence their HMOs.
- Issued **222 Civil Penalties** to landlords who for breaching HMO Management Regulations.
- Issued **13 Improvement Notices** for Category 1 hazards.
- Issued 5 Prohibition Orders.
- Made **1 Interim Management Orders** to take over control of the management of a HMO where the landlord failed to licence and put the occupant's health, safety and welfare at risk.
- Issued 1 Banning Order.
- Accredited **501 Landlords and 84 Agents** through the Councils Landlord Accreditation Scheme (CLAS).
- Introduced longer licences and fee incentives for 'good' landlords.
- Held **6 Landlords Forums** which included presentations from external speakers.
- Issued **29 Newsletters** for Landlords providing information on the PRS including new legislation.
- Carried out **33 training** days for landlords to improve the overall management within the sector.
- Implemented a **clearer and fairer fee structure** to provide charges that reflect the amount of time spent dealing with 'good' landlords in comparison to time spent 'chasing' 'bad' landlords.

#### **Supporting Information**

#### **The National Picture**

The Office for National Statistics (ONS) projections indicate that there will be a population increase in the UK by 11 million over the next two decades. People are growing older and living longer. It is estimated that over the next 2 years the over 65's will increase by 7 million. There is also an ageing population with the number of people aged 65yrs and over projected to increase over the next 10 years by an average of 20%.

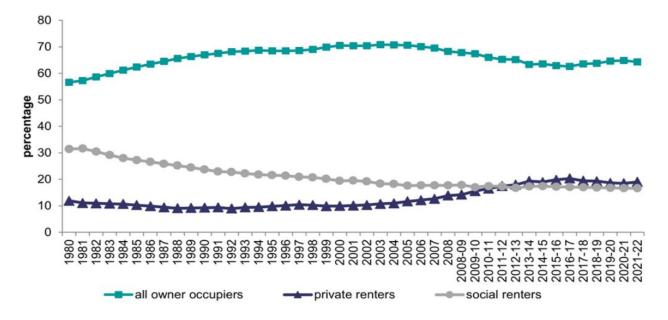
Rising house prices have continued to see many young people priced out of buying their own home. In 2021-22, 41% of those aged 25-34 were owner occupiers, a similar proportion to those privately renting (43%). Compared to 2020-21, the proportion of households aged 25-34 who are owners decreased (from 47% to 41%) and the proportion of private renters increased (from 37% to 43%).



#### Figure 1 – Tenure profile

According to ONS nearly a third of 20–34-year-olds are living at home with their parents, in 2021, which is 28 % of the entire age group. In 2011, the number was just 24 %. For many homes ownership is no longer a tenure of choice or aspiration resulting in the PRS being the only viable housing option for most newly forming households.

Figure 2 - The table of results, from the English Housing Survey (EHS) 2021/22, below shows where the majority of 25to 34-year-olds owned their own home in 2004, however those born just a decade later are now far more likely to be renting from a landlord. As can be seen the 'tipping point' appears to be between 2011 and 2012.



#### Figure 2 - The table of results, from the EHS 2021/22

In 2021, 14% or 3.4 million occupied dwellings, failed to meet the Decent Homes Standard (DHS). The PRS had the highest proportion of non-decent homes (23%) while the social rented sector had the lowest (10%). Among owner occupied homes, 13% failed to meet the DHS.

The rental market has also changed considerably. Private rental prices paid by tenants in the UK increased by 5.7% in the 12 months to September 2023. This represents the largest annual percentage change since this UK data series began in January 2016, and is up from 5.6% (revised estimate) in the 12 months to August 2023. The median monthly rent recorded between April 2022 and March 2023 was £825 for England; this is the highest ever recorded.

#### **The Coventry Picture**

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%.

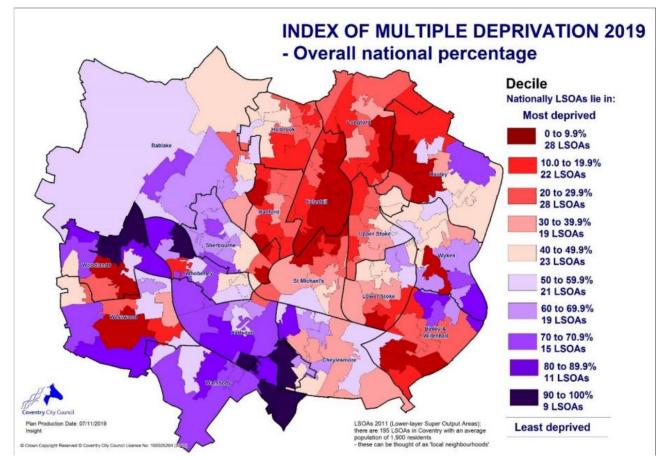
The Strategic Housing Market Assessment calculated a need for an additional 42,000 homes by 2031 to meet the growth needs of Coventry, including 12,000 additional affordable homes.

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 Ministry of Housing, Communities and Local Government (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.

Figure 3 below shows the summary measure of the Index of Multiple Deprivation 2019 at local authority district level for Coventry.



#### Figure 3 - IMD Rank for Coventry in 2019

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 fairs 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.

#### **Strategic Context**

Section 57 (2) of the Housing Act 2004 states that before making a designation the authority must ensure that any exercise of the power is consistent with the authority's overall housing strategy.

**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 2019-23** recognises that creating health, wealth and happiness requires more than simply managing people's health problems. It recognises the importance of education, good work, **affordable and appropriate housing**, leisure opportunities and a healthy environment to the quality of life of local people. We know that good quality housing for all leads to better health and wellbeing, as it affects early years outcomes, educational achievement, economic prosperity and community safety.

**Housing & Homelessness Strategy 2019-24** 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 to ensure 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). 25% of properties in the city are now private rented properties, with 17% social rented and 57% owner-occupied. 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 Corporate 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.

The primary driver for all of the work carried out by the team is the protection of the health, safety and welfare of residents living in HMOs whether it is acting in an advisory role or regulatory

role through enforcement. The outcome of this work is a healthier and safer environment in which people live.

Operational partners include the various teams within Regulatory Services, Environmental Health, Housing Department and Planning and Building Control Services.

The teams within these service areas all contribute to the Council's Corporate objectives and there are also strong links with external agencies including in particular West Midlands Police and West Midlands Fire and Rescue Service.

#### **Housing in Coventry**

According to HM Land Registry the average cost of a house in Coventry was £230,604 in August 2023, which represented an 8% reduction on the previous year.

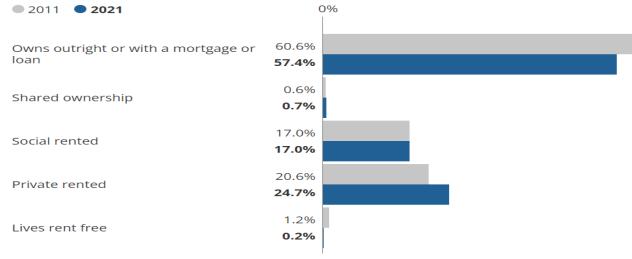
High house prices create a situation where younger people and low-income households are not able to access the owner occupation market leaving the PRS as the only viable option for accommodation.

#### The Private Rented Sector in Coventry

The tenure profile in Coventry has changed considerably since 1981. The PRS is now larger than the social rented sector and, based on the pattern over the past ten years the potential is for it to be larger than the owner-occupied sector in the next 20 years.

In Coventry, the percentage of private renting increased from 20.6% in 2011 to 24.7% in 2021. During the same period, the percentage in nearby Warwick increased from 17.9% to 19.0%.

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



#### Figure 4 Percentage of households by housing tenure in Coventry

Source: Office for National Statistics – 2011 Census and Census 2021

A long-term housing shortage where demand is high and availability is low provides an opportunity for landlords to offer less than perfect accommodation without any problems of

finding a suitable tenant. The net effect can be a reduction/pushing down of housing standards in the sector.

Rental values in Coventry have increased, on average by 11% between May 2020 and October 2023 compared to 7% in England. According to the Valuation Office Agency the average weekly rent for a property in Coventry in October 2023 was £160.40.

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.

Table 1 below provides the results of this comparison of rents in 2023 and it clearly shows 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.

The supply of housing in Coventry is driven by the situation where demand is high and availability is low and as already discussed, in the PRS this provides an opportunity for landlords to offer less than perfect accommodation without any problems of finding a suitable tenant.

These pressures on housing provision are inevitably going to result in high rental values so it is no surprise that increases have occurred however, there is no evidence to suggest that licensing increases rent, more likely that the undersupply in property in any given area has driven up rents as a market force.

Local Authority	Additional licensing scheme Y/N	Average weekly rent for single rooms in shared houses
Cambridge	Y	£120.73
Coventry	Y	£89.16
Derby	N	£83.64
Northampton	Y	£96.31
Nottingham	Y	£90.68
Oxford	Y	£105.75
Rugby & East	Ν	£90.75
Solihull	Ν	£81.52

#### Table 1 – Comparison of Rents in Areas with and without Licensing

#### **HMOs in Coventry**

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.

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.

In April 2022, the Council published the Private Sector House Condition and Stressors Report to review housing stock in the city and assess housing stressors related to key tenures, in particular the private rented sector, which comprised a physical analysis of dwellings. It is estimated that there 6,500 HMOs within the city.

The trend over many years has been for the HMO stock to grow steadily within the city and future growth is difficult to predict, but if the PRS continues to expand at the same rate over the next decade, then the numbers of HMOs in Coventry would most likely continue to increase.

The problems associated with living in a HMO have been well documented over the years and are known to professionals working in the sector.

In the 1980's the then Department for Environment (DOE) commissioned a survey of HMOs which noted that "four fifths lacked satisfactory means of escape – and that – risk of death or injury from fire in a HMO is ten times that in other houses".

The EHS, which is an annual survey conducted to "determine people's housing circumstances and the condition and energy efficiency of housing" Department for Communities and Local Government reported that HMOs are often old, solid wall properties with low levels of insulation and sometimes expensive electric heating systems and...."Section 257 HMOs pose particular problems because they are by definition older, poorly converted properties".

Most fire safety conditions added to licences indicated that many of the HMOs in Coventry lacking in basic fire detection and were relying upon battery operated smoke detectors. Generally, HMOs also had higher repair costs than other dwellings and although the majority had the use of basic amenities the sharing ratio of 1.5 persons was extremely prevalent, hence such a high number of conditions added to new licences, that otherwise would have been undetected without Additional Licensing.

The experience over the years, in Coventry, is that some of the worst conditions are present in HMOs. The photographs below were taken as recently as October 2023 following a complaint from a tenant about disrepair in her flat. On inspection it transpired that the property was an unlicensed HMO, with serious disrepair issues. Officers are currently taking formal action against the landlord for failing to licence the property and he has also been served with an Improvement Notice to bring the property up to standard.

Exterior of property exhibiting damp from disrepair to the draining system and broken windows and rubbish stored outside.



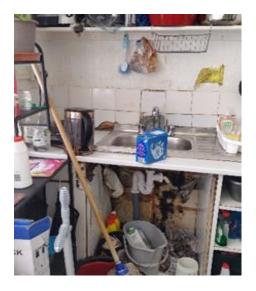


Fire safety issues within the building were the smoke detector and door to kitchen have been removed.





Damp and mould and disrepair to kitchen





#### **Planning and HMOs**

HMOs occupied by between three and six unrelated individuals are defined as Use Class C4 by the Town and Country Planning (Use Classes) Order 1987 (as amended). Dwellings occupied by families, or less than 3 unrelated people are defined as Use Class C3.

The government has granted planning permission in the form of permitted development rights for changes of use between these two Use Classes. Because of the potential implications of large numbers of properties in an area changing to Use Class C4, the Council has removed the permitted development right to change between use Class C3 and Use Class C4.

Notice of an Article 4 Direction proposing to remove permitted development rights to change the use of a C3 property ("dwellinghouse") to a C4 property ("house in multiple occupation") was originally given in September 2022.

The Article 4 Direction came into force across certain wards in Coventry on 30th September 2023. The Direction removes the permitted development right to change the use of a C3 property ("dwellinghouse") to a C4 property ("house in multiple occupation") without the requirement to first obtain planning permission within the following wards: Cheylesmore, Earlsdon, Foleshill, Lower Stoke, Radford, St. Michael's, Sherbourne, Wainbody, Whoberley, Westwood and Upper Stoke.

Any person wishing to convert a residential house into a HMO within the affected wards will first need to obtain planning permission for a change of use, even if the HMO will have fewer than seven tenants. Properties that were already lawfully used as HMO's with fewer than seven tenants before the 30th September 2023 will not need to make a planning application. However, if such a property ceases to be used as an HMO (for example, if it is rented to a single family) a change of use planning application will need to be made to bring the property back into use as an HMO. The Article 4 Direction has no bearing on existing or future HMO licences issued under Housing legislation.

Since the introduction of the Article 4 direction the Council has received 2 applications for C3 to sui generis which were both refused and three applications from C4 to Sui Generis (two granted and one refused). There have also been applications for change of use from C3 to bedsits which don't fall with the C4 definition and a number of applications for Lawful Development Certificates.

#### Licensing of HMOs

Whilst Article 4 is useful for controlling the spread of new HMOs, additional licensing is crucial in improving standards in the HMOs that currently exist in an area.

Mandatory Licensing of HMOs was introduced by the Housing Act 2004 and the Council implemented a rigorous approach to processing the requirements of the legislation, insisting that the licence must be more than just a piece of paper.

The process was used to upgrade each property to an appropriate standard with all licences being issued *after an inspection* of the HMO. This enabled the Council to have a positive impact on the condition and management of the properties.

Where compliance was not achieved, enforcement was pursued giving tenants and neighbours confidence that the City Council are serious about addressing the issues around HMOs.

The preferred stance of the Council is that licensing should apply to *all* HMOs in the same way, for example that all drivers need a driving licence. The new powers gave the Council the opportunity to make this a reality.

Prior to the designation of the Additional Licensing scheme the Council had used existing powers to their full extent, but it still wasn't enough and concluded that more needed to be done.

With the introduction of additional licensing controls applied to the whole of the HMO sector the Council was able to take a reactive and proactive approach to dealing with the sector.

#### **Processing HMO licence applications**

Although the Council has a responsibility to *'take reasonable steps to secure that applications for licences are made'* for HMOs, the legislation makes it clear that the responsibility to submit a valid application and licence a HMO lies squarely with the owner/landlord.

The trend over the past few years of the scheme has shown that, unlike other licensing regimes, the Council has had to take a more positive role in reminding applicants about the responsibility to licence a HMO. Between 2020 and September 2023 a total of 1095 chase letters were sent to applicants requesting them to provide requisite information to make their applications valid, with a further 67 needing to be referred for enforcement action.

Once a valid and complete application has been received the Council carries out inspections to set conditions and, in the case of a renewal application, check compliance.

Further inspections are also carried out to address any concerns raised in relation to confidence in management and issues of disrepair or poor standards.

The Council has carried out a total of 6,178 visits to HMOs to address a variety of issues.

Service requests are dealt with by the Council reactively and can include issues regarding landlord/ tenant disputes, noise, rubbish and disrepair or poor conditions.

As mentioned earlier the issues associated with HMOs are far reaching and impact on the work of a variety of other teams within the service area.

Table 2 below provides a breakdown for different categories showing the comparison between the number of service requests dealt with the years before licensing and for the duration of the scheme to date. With the exception of tenancy issues and noise there has been a positive impact to the reduction in service requests. The significant increase in tenancy complaints is attributed to the appointment of a dedicated Landlord and Tenancy Liaison Officer who as part of his role has adopted a more proactive approach to such issues. A significant part of his role is to maintain tenancies, which in doing so has contributed to an estimated saving of nearly two million pounds in temporary accommodation.

	2019/2020	2020/2021	2021/2022	2022/2023	2023/(Sep)
					2024
Tenancy Issues	61	64	314	492	384
Noise	3719	2792	4513	4018	2374
Fly	6962	10765	8500	6853	3052
Tipping/Refuse					
Pests	3061	2303	2995	2457	1617
ASB	301	142	284	247	158

#### Table 2 - Service Requests before and during Licensing

#### **Energy Performance Certificates**

The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 introduced a minimum energy efficiency standard of EPC E for the PRS. From 1 April 2018, private rented properties in scope of the MEES Regulations had to meet the minimum energy efficiency standard (EPC E) before they can be let on a new tenancy, unless a valid exemption has been registered.

The Council has been leading the way with new initiatives to deal with energy efficiency in HMOs and in 2021 we successfully secured funding to tackle tenants living in cold and draughty rented properties by enforcing minimum energy efficiency standards (MEES) across the city.

Making landlords improve the energy rating of their properties helps to tackle fuel poverty and ensure tenants live in a warm home with fair energy bills. Though the duration scheme the Council analysed around 4000 EPC certificates.

This will make an important contribution to the Council's carbon reduction targets because by improving energy efficiency in HMOs the PRS is making a positive step to reducing carbon emissions from buildings across the whole of the City.

#### **Licence Conditions**

Under the legislation the Council must include a range of conditions requiring the licence holder to address matters regarding gas safety, electrical appliances, furniture, smoke alarms and details of the occupants. These are applied by all Councils across England and Wales and are often referred to as the 'mandatory conditions'.

In addition to the mandatory conditions the Council also included discretionary conditions which covered four broad areas relating to HMOs.

**Fire Safety Conditions** – these are specifically over and above the mandatory conditions and would include such matters as fire separation, additional detection and providing fire safety equipment etc.

Amenities and Facilities Conditions – these conditions would relate to cases where there were not enough facilities or amenities present within the property for the number of people living there. This typically includes providing amenities such as kitchens or bathrooms and facilities within those elements.

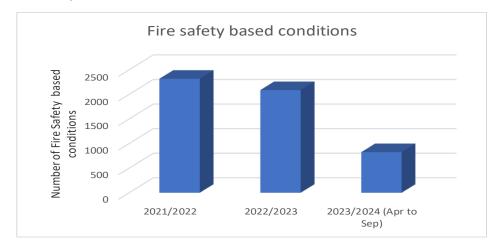
**Health and Safety Conditions** – conditions regarding health, safety and welfare matters are also applied to licences. These cover items which do not constitute a serious hazard under the Health and Safety Rating System and therefore can be addressed through the licencing process.

Figure 5 below shows the number of legal and standard conditions (mandatory) that have been attached to licences during the period 2019- 2023 and clearly show that after a peak of conditions regarding management issues in 2020-2021, but there has been a gradual improvement in this area thereafter. It is however clear that there is still some work to do to address management issues in HMOs.



#### Figure 5 – Legal and Standard

Figures 6, 7 and 8 below provide a breakdown of those discretionary conditions that were required on licences to improve conditions relating to fire safety, health and safety and amenities and facilities.



#### Figure 6 – Fire safety conditions

The peak of conditions relating to fire safety suggests that during the early years of the scheme there was a lack of fire precautions in HMOs. The fall in numbers over the duration of the scheme indicates improvements in fire safety are being addressed through compliance of these conditions. It is unlikely that these improvements would have been achieved to this extent without the conditions being attached to licences and the figure relating to the level of conditions still required is significantly higher than when the scheme started.

Conditions regarding basic amenities and facilities such as sufficient toilets, kitchen and bathing facilities are a fundamental issue in HMOs because the higher number of people sharing the greater level of amenities required.

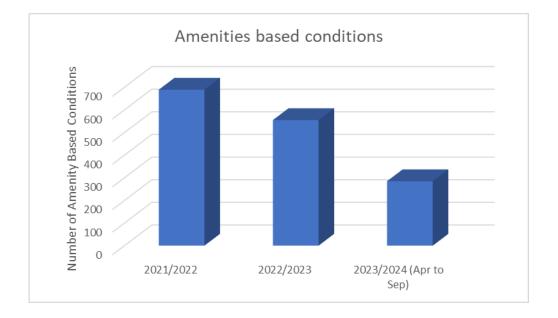


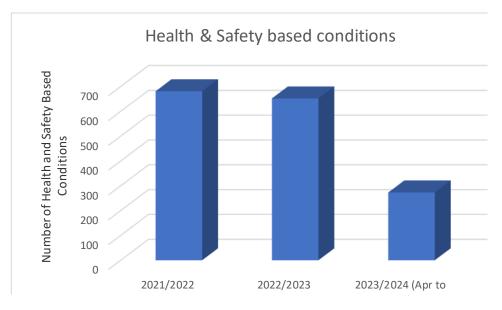
Figure 7 – Amenities and Facilities conditions

This figure suggests that in the early years of the scheme there were a large number of properties with insufficient facilities and over the period of 3 years this has reduced to a reasonable level.

The health and safety of occupants in HMOs is a major concern that can be addressed through applying licence conditions or assessing the property to determine if there are any hazards present under the Housing Health and Safety Rating System. Where hazards are present, and considered serious enough, the Council is under a duty to pursue action under HHSRS. This would be done through the service of legal notices and orders.

These conditions therefore relate to cases where the Council considered it was not appropriate to pursue this separate action. It does however have to be borne in mind that these conditions are matters which have a direct impact on the health, safety and welfare of occupiers of HMOs and so will typically relate to factors regarding disrepair and other lower hazard rated issues.

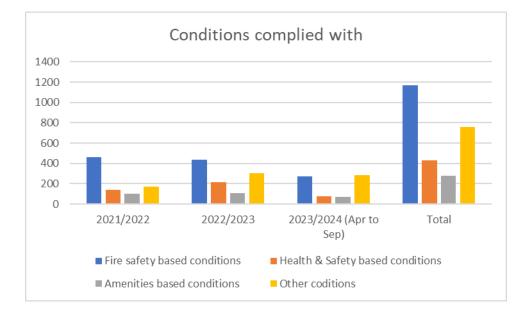
#### Figure 8 – Health and Safety conditions



This figure, relating to health and safety conditions, paints a similar picture to that of all of the other areas, in that there was a peak of conditions of this nature in the early stages of the scheme and a fall, indicating gradual compliance. The level of conditions relating to health and safety matters is still at a level which raises concern and shows that there is still some work to do around compliance in this area.

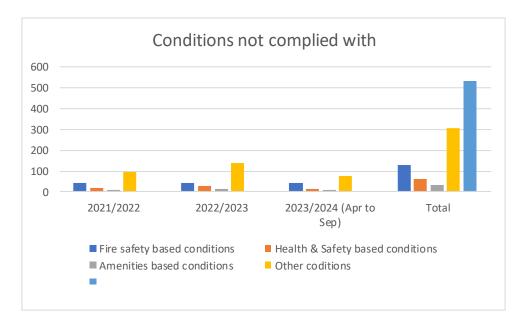
In order to assess this the Council undertakes compliance visits and recorded various factors relating to compliance/ non-compliance. These ranged from whether works required on the licence had been completed and whether there were any issues regarding the completion or addition of conditions.

The results can be seen below in Figures 9 and 10 below.

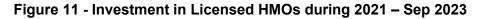


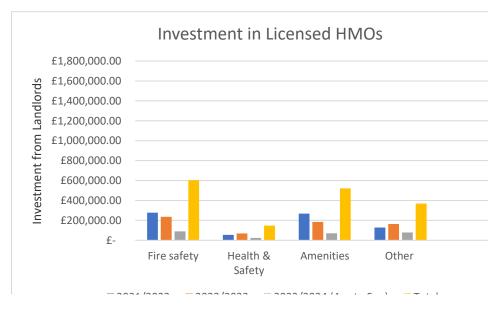
#### Figure 9 – Compliance of conditions





In order to assess any potential financial investment in the city a cost was attached to the type of work carried out to comply with conditions and an estimate on investment was calculated as a result. Overall, it is estimated that since the introduction of licensing there has been approximately £1.6 million invested in HMOs in the city. The average investment for each year is shown in Figure 11 below.





#### **HMO Fees and Charges**

The cost of an HMO licence is different across local authority areas. The government did not set a specific fee or set a limit as to how much each council can charge and it is up to the Council to calculate what it costs to implement HMO licensing. This will include consideration of staff costs, training, inspection and administration and can include publicity.

The Council then sets its licence fees on this basis and if appropriate may decide to subsidise licence fees in some cases. They are not, however allowed to use licensing fees to raise revenue for other projects or areas of work.

The Council introduced the Scheme as a self- financing project and has reviewed the fees and charge's structure regularly throughout the life of the scheme.

During a period of public engagement prior to the scheme's inception in 2020 the consultation responses raised several queries around the Council's fee structure at this time and the fairness of a scheme that proposed to treat all landlords the same whether compliant or non-compliant.

A range of new licences fees were also introduced that acknowledged the difference in the time spent by the Council dealing with complete and valid applications that were submitted on time by landlords and those where the Council had to chase payment or documentation.

The Council now issues licences for one, two- and five-year periods.

A Higher Rate New Application fee for a one-year licence was introduced where the HMO has been found to be operating unlicensed for more than 12 weeks.

The Council also introduced a five-year licence for landlords and agents who are accredited through Coventry City Councils Landlord Accreditation Scheme (CLAS).

To be eligible for a given length of licence, the landlord must meet all the requisite criteria at the point of application.

The main reason for adopting these changes was that the Council had to spend a lot more time in dealing with licence applications where the owner had not been forthcoming with their application or had not provided a valid application.

The aim of this fee structure was also to try and encourage landlords to become better through joining the accreditation schemes and attending training which would enable them to be more competent and capable of managing HMOs appropriately.

The Council also wanted to reward good landlords who had already licensed and where there was less work with administering the licence and ensuring compliance.

Where landlords had been prosecuted or reluctant to become accredited, we would encourage them to use accredited agents, who have the experience and expertise to improve and manage properties, to manage them on their behalf and therefore take advantage of the five-year licence.

#### Landlord Accreditation

The Council operates the Coventry Landlord Accreditation Scheme (CLAS) which aims to improve the condition and management of the private rented sector in Coventry.

The scheme comprises an element of self-regulation and accordingly relies on a degree of goodwill and trust on the parts of Landlords, Letting Agents, tenants and the local authority.

The scheme applies to the private rented sector only and not to local authority owned or Housing Association properties where other Service Level Agreements apply.

Under the Scheme it is a requirement that:

(a) the Landlord or Letting Agent is a 'Fit and Proper' person;
(b) the physical condition of all the properties they own or manage meet minimum legal standards and planning and building control requirements;

(c) management practices are fair and reasonable and meet the management code of practice requirements;

(d) community relations are maintained, including waste management at the property; and (e) our Local Commitment policy is compiled with you have ensured that all properties owned or managed by yourself have achieved the highest EPC ratings possible, within reason, for the property construction type

Compliance with the scheme will ensure that:

- Landlords, Letting Agents, tenants and local residents enjoy the benefits of good property conditions, competent management standards and considerate neighbourly behaviour;
- Misunderstandings and disputes are reduced;
- The Council's One Coventry Plan will be actively promoted;
- Where problems do occur, they are promptly resolved; and
- Landlords and Agents of privately rented accommodation must ensure they manage their properties in a business-like manner and have knowledge of the requirements of private renting and the primary legislation under the Housing Act 2004.

The Council has put together a training course involving workshops delivering a comprehensive understanding of the legislation and technical aspects of managing a property, including in particular:

- Management Regulations An overview of the requirements of the landlord's statutory requirements under the Management of Houses in Multiple Occupation (England) Regulations 2006;
- The Housing Health & Safety Rating System, (HHSRS) An introduction and overview of the HHSRS and the 29 associated hazards; emphasis will be placed on the more often encountered deficiencies. Understanding the concept of Categories and how to mitigate Category 1 hazards in accordance with the requirements of the HHSRS Operating Guidance;
- HMO Licensing The requirements of the HMO licensing scheme, applications, documentation etc;
- Tenancy Relations An introduction to the legal requirements of assured shorthold tenancy agreements and the requirements for possession etc; and
- Electrical Safety Standards An overview of the requirements under The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020

Accredited Landlords and Agents are required to attend the one-day training course within three to six months of becoming accredited.

As previously mentioned, accredited landlords and agents can take advantage of extended licences and lower fees because the Council acknowledges that they are more effective at managing their properties and meeting the requirements of licensing with minimal intervention from the Council.

585 Landlords and Agents have taken up accreditation, the most being during the first year of the scheme when the Council introduced the 'new' five-year licence for accredited landlords.

Accreditation provides an opportunity for landlords to understand their legal responsibilities and provides them with practical advice on how to become better at managing and maintaining properties in the PRS under their control without the need for the Council to intervene.

#### **Enforcement in HMOs**

Prior the start of the scheme the Council's intervention in the small HMO sector was limited to a reactive complaint response service with action by other departments and agencies on a largely ad hoc basis. A reactive service is essentially generated by the tenant making a complaint about the condition of the property, all too often tenants are concerned that making complaints will result in eviction and therefore some of the very worst of the issues go undetected.

A reactive response would mainly focus on condition of property and not necessarily the management which is often the cause of concern. This approach only scratched the surface of the problems associated with a growing HMO sector in Coventry and licensing provided the Council with enhanced powers to deal with HMOs in a more proactive and focussed way.

It enabled the Council to conduct reactive and proactive visits to address concerns about HMOs. This has resulted in over 6,178 visits being carried out to HMOs.

Over 75,000 conditions have been added to licences requiring the licence holder to carry out works to bring properties up to the appropriate standard and to manage them effectively. This provided a level playing field for all landlords and licence holders making them more accountable for the management and improvement of HMOs.

Where non-compliance is found the Council has a mechanism to resolve these issues either through legal action which may result in the licence holder losing their licence and their ability to run HMOs or through further licensing controls. The Council has only had to take formal action in a handful of cases for non-compliance because it has found the possibility of losing a licence is of great concern to most landlords and they will take steps to remedy the problems referred to them without the need for legal intervention.

The Council is also able to focus its resources on tracking down those landlords who are operating unlicensed or ineffectively managed properties. This has resulted in 1906 proactive investigations being carried out on HMOs.

These landlords are encouraged to find an agent or another suitable person to be the licence holder and cooperate with them to improve the property and its management. The fees and charge's structure has been developed to encourage landlords to become accredited and take advantage of fee incentives.

If a landlord fails to heed warnings about problems, then the Council has applied enforcement and taken formal action where the problem is serious enough and it would be in the public interest to do so. This has resulted in 78 Civil Penalties issued to landlords who failed to licence their HMOs, 222 Civil Penalties to landlords for breaching HMO Management Regulations and 6 formal cautions. In the most extreme case one landlord was banned from letting or managing properties.

Before issuing an HMO licence, the Housing Act 2004 states that the council must be satisfied that the proposed licence holder (and manager) of the property are fit and proper person(s). The test is designed to ensure that those responsible for holding the licence and managing the property are of sufficient integrity and good character to be involved in the management of an HMO and that as such, they do not pose a risk to the welfare or safety of persons occupying the property.

Where there has been a contravention of any provision of the law relating to housing or of landlord and tenant law, the landlord is no longer considered to be a "fit and proper person". Their licence is revoked and unless they pay another application fee for a suitable person to take over the licence the Council issues an interim management order and takes over control of the property. This approach has been adopted on one such occasion.

#### **Consultation exercise**

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'.

From July to October 2023, the Property Licensing Team undertook a consultation exercise with various stakeholders to measure the potential impact of the licensing scheme. An online survey was hosted on Let's Talk Coventry for 3 months. As well as this drop in sessions were held across the whole city, with at least 1 session held in each of the 18 wards. The results of this consultation can be found in Appendix 1.

#### The Way Forward

The Additional Licensing Scheme in Coventry will have been in operation for 5 years on the 4<sup>th</sup> of May 2025. This creates a situation where the Council needs to review its success, learn lessons and to use these to determine what action should be taken in the future.

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'.

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;
- 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).

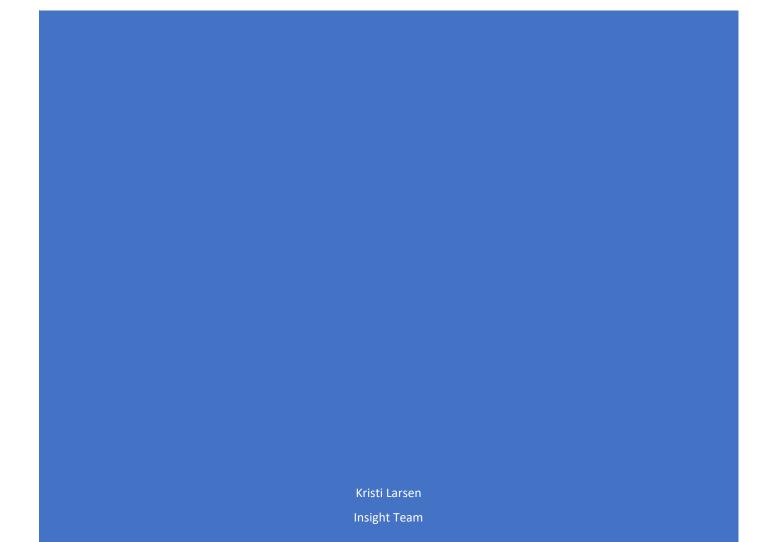
The Department for Communities and Local Government General Approval provides the condition that any consultation period for the proposed designation should not be less than 10 weeks.

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

This document 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.

# HMO ADDITIONAL LICENSING CONSULTATION REPORT OCTOBER 2023



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#### EXECUTIVE SUMMARY

#### There were 197 responses.

- > The majority of responses were received from respondents who did not live in Coventry.
- These respondents lived in various locations, Warwickshire County Council area and areas around London.
- Of those respondents who did live in Coventry, the most were received from Earlsdon, Wainbody and Lower Stoke.
- The majority of respondents were responding as members of the public (57%), followed by landlords (29%)
- 78% of respondents were aware that Coventry has introduced an Additional Licensing Scheme
- > The majority of landlords responding owned between 1 and 10 HMOs, (89%)
- > 5 letting agencies responded and ranged from 1-10 to 21-50 HMOs managed.
- Fear of reporting repairs for fear of being evicted, deposit issues and intimidation and harassment were experienced the most by tenants but the numbers responding to this question was very low.
- The statements that received most agreement were that additional licensing in Coventry has ensured that privately rented HMO properties are better maintained and managed, that additional licensing has helped to improve living conditions in HMOs across the city and that the scheme has helped to improve the overall management of HMOs.
- 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.
- The majority of respondents strongly agree with the proposal to renew the additional licensing scheme at 43%, the total of those in agreement is 61%.
- > 30% of respondents disagreed with the proposal to renew, with 1in 5 strongly disagreeing.
- The majority of respondents feel that the Council does not punish rogue landlords enough, 118 responses. This is followed by 79 responses thinking that the fee for a licence should be reduced for compliant landlords.
- Encouragingly, 61 responses think that HMOs in Coventry are better managed now than 5 years ago.
- The statement that received the fewest agreement was that the additional licensing scheme has been a success and is no longer needed with 18 responses.

- A large number of the open-ended comments agreed that the Additional Licensing Scheme has been successful, however a number stressed that it needed to be enforced to ensure success.
- There was a feeling that the Council did not have enough resources to ensure enforcement of the scheme and that the Council are making it too bureaucratic.
- There was general consensus that there are too many HMOs across Coventry and that many that are here are not well maintained and have negative impacts on the local community.
- > Just over a quarter (29%) of respondents were aged 44 and under. 49% were female.
- Just under half (49%) stated they were Christian and 81% were White British. 10% stated they were disabled.

#### INTRODUCTION

Coventry City Council's current Additional HMO Licensing scheme expires on 4<sup>th</sup> May 2025, and the Council needs to carry out an in-depth review of the scheme.

The consultation was open from July 3<sup>rd</sup> until October 2<sup>nd</sup>, 2023. The feedback gathered from stakeholders will inform a full options appraisal for the future of the scheme.

#### **RESPONSE RATE**

An online survey was hosted on Let's Talk Coventry for 3 months. As well as this drop in sessions were held across the whole city, at least 1 session held in each of the 18 wards.

197 surveys were completed.

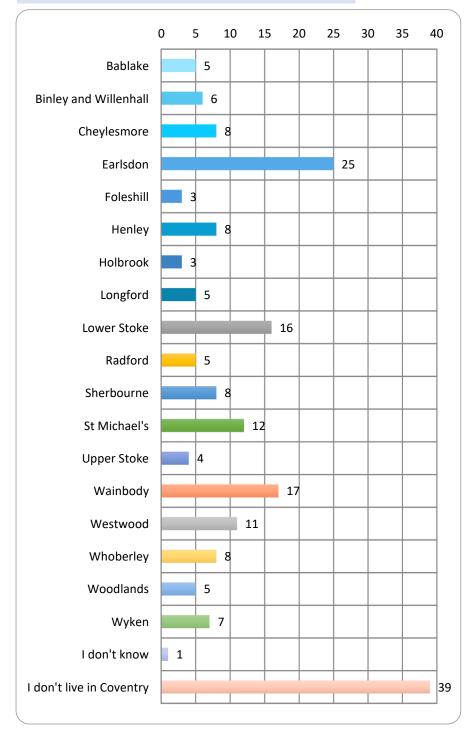
Engaged: 197 respondents filled in the survey.

Informed: 446 people downloaded at least one document

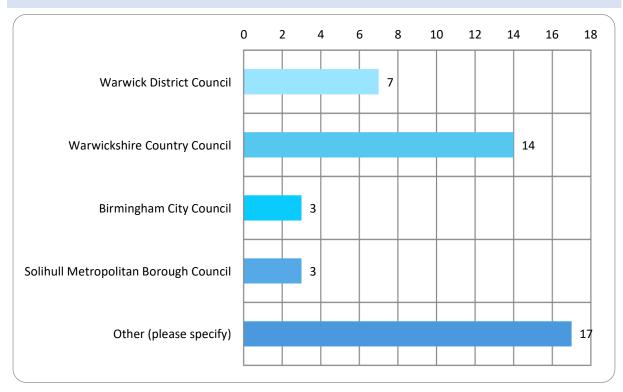
Aware: 951 people visited the page.

#### SURVEY FINDINGS

#### WHAT AREA OF COVENTRY DO YOU LIVE IN?



Most respondents were from outside of Coventry (39). Looking at respondents from Coventry, most were from Earlsdon (25), followed by Wainbody (17) and Lower Stoke (16).



IF YOU LIVE OUTSIDE COVENTRY WHICH LOCAL AUTHORITY AREA, DO YOU LIVE IN?

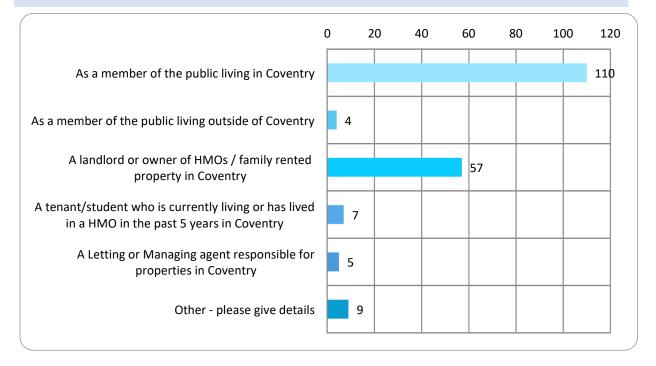
The majority of respondents who stated other location were from London and the surrounding area. Other areas stated were Market Harborough, Walsall, North Wiltshire, Luton, Buckinghamshire and South West Devon.

ARE YOU AWARE THAT COVENTRY CITY COUNCIL INTRODUCED A LICENSING SCHEME FOR ALL HMOS IN MAY 2020?

	Number	%
Yes	152	78%
No	45	22%

78% of respondents were aware of the introduction of the scheme.

#### HOW ARE YOU RESPONDING TO THIS CONSULTATION?



The majority of respondents are responding as members of the public that live in Coventry (110), that is 57%. The next largest category is landlords (57) at 29%.

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

#### LANDLORDS WERE ASKED: HOW MANY HMOS DO YOU OWN?

No of HMOs	No of Responses
1-10	51
11-20	2

53 of the landlords owned HMOS, 4 landlords completing the survey did not own any HMOs currently.

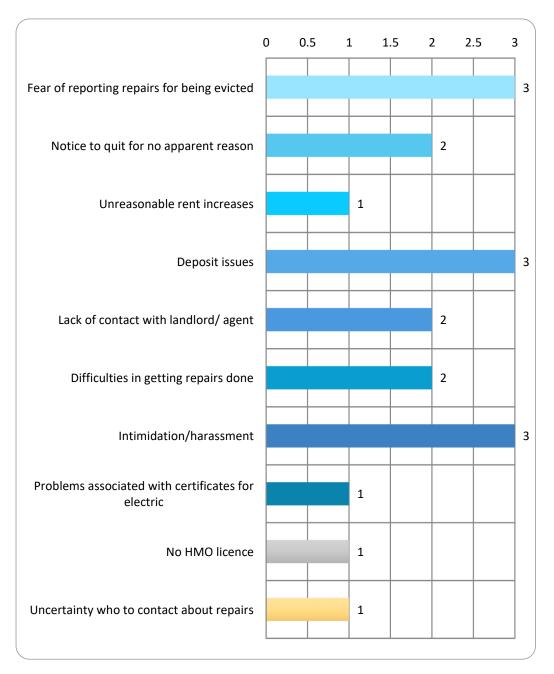
Most of the landlords owned between 1 and 10 HMOs, only 2 landlords owned between 11 and 20.

#### LETTING AGENTS WERE ASKED THE FOLLOWING: HOW MANY HMOS DO YOU LET/MANAGE?

No of HMOs	No of responses
1-10	2
11-20	2
21-50	1

All 5 agencies responded to this question and they are split over the 3 categories.

#### IF YOU HAVE INDICATED THAT YOU ARE LIVING OR HAVE LIVED IN AN HMO IN COVENTRY IN THE PAST FIVE YEARS THEN PLEASE INDICATE WHETHER YOU HAVE HAD PERSONAL EXPERIENCE OF ANY OF THE FOLLOWING?



The numbers responding to this question are very low but fear of reporting repairs for fear of being evicted, deposit issues and intimidation and harassment were experienced the most.

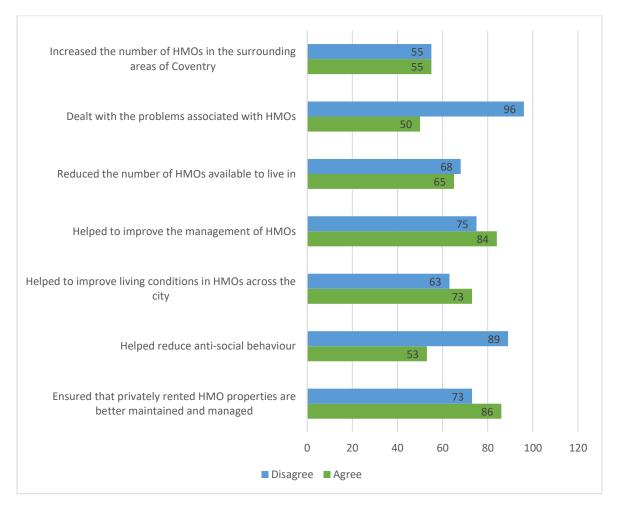
### PLEASE INDICATE HOW STRONGLY YOU AGREE OR DISAGREE WITH THE FOLLOWING STATEMENTS? ADDITIONAL LICENSING IN COVENTRY HAS.....

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Dealt with the problems associated with HMOs	25	25	50	55	41
Ensured that privately rented HMO properties are better maintained and managed	40	46	38	42	31
Helped reduce anti-social behaviour	23	30	55	48	41
Helped to improve living conditions in HMOs across the city	37	36	60	38	25
Helped to improve the management of HMOs	30	54	37	46	29
Reduced the number of HMOs available to live in	39	26	63	32	36
Dealt with the problems associated with HMOs	25	25	50	55	41
Increased the number of HMOs in the surrounding areas of Coventry	24	31	83	28	27

The statements that received most agreement were that additional licensing in Coventry has ensured that privately rented HMO properties are better maintained and managed, that additional licensing has helped to improve living conditions in HMOs across the city and that the scheme has helped to improve the overall management of HMOs.

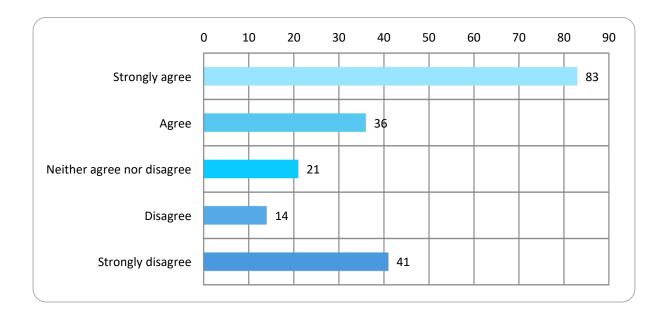
For a large number of the statements the majority of respondents chose the neutral option, neither agree nor disagree.

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.



The graph below highlights those that agree (strongly agree + agree) and those that disagree (disagree+ strongly disagree) with each statement, with the neutral responses removed.

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. PLEASE INDICATE HOW STRONGLY YOU AGREE OR DISAGREE WITH THIS PROPOSAL?

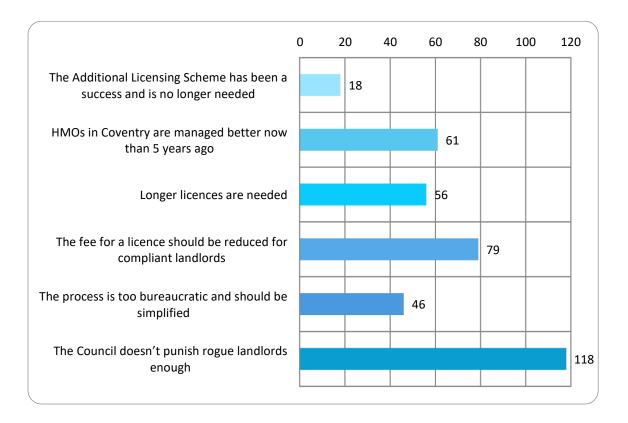


	No	%
Strongly agree	83	43%
Agree	36	18%
Neither agree/nor disagree	21	11%
Disagree	14	7%
Strongly disagree	41	21%

The majority of respondents strongly agree with the proposal to renew the additional licensing scheme at 43%, the total of those in agreement is 61%.

30% of respondents disagreed with the proposal to renew, with 1in 5 strongly disagreeing.

## WHICH OF THE FOLLOWING STATEMENTS APPLY TO COVENTRY. PLEASE CHOOSE ALL THAT APPLY.



The majority of respondents feel that the Council does not punish rogue landlords enough, 118 responses. This is followed by 79 responses thinking that the fee for a licence should be reduced for compliant landlords.

Encouragingly, 61 responses think that HMOs in Coventry are better managed now than 5 years ago.

The statement that received the fewest agreement was that the additional licensing scheme has been a success and is no longer needed with 18 responses.

FINALLY, DO YOU HAVE ANY COMMENTS YOU WOULD LIKE TO MAKE ON THE ADDITIONAL LICENSING SCHEME?

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
Licensing improves situation/needs continual review	40
Council does not support landlords/ too bureaucratic	29
Too many HMOs	29
License does not improve situation	28
Poorly maintained HMOS	25
Negative impact on community	18
Unfair on good landlords	14
Landlords need to be accountable	7

A full list of comments can be requested by emailing insight@coventry.gov.uk

A large number of comments related to the positive aspects of the licensing scheme.

- It is a fantastic scheme aimed at driving up standards in HMO's which improves the living conditions for tenants, reduces ASB and helps to weed out poor/rogue landlords.
- As a landlord that provides a great standard, I think the scheme is great. It helps guide me and know what I need to do to maintain a good standard and ensure the tenants remain safe, and have a good standard of accommodation.
- Living in Earlsdon with an HMO next door and having suffered through a year of hell a couple of years ago, I fully support this scheme.
- The licensing scheme is an important feature to our city regarding the control of HMO's without this in force there is possibility for future issues to arise.

However, a number of respondents whilst recognising the value also stressed the importance of not making it too bureaucratic and ensuring it is enforced.

- We have a moral and ethical responsibility to ensure safe and affordable housing is available to Coventry residents. Additional Licensing is a great step in that direction. However, this has to be carefully balanced with not overburdening landlords and becoming too bureaucratic in its processes, otherwise it could push landlords to sell up, or let out HMO's illegally. Either of these unintended consequences would obviously not help the housing landscape and could have the opposite effect that additional licensing has been designed for.
- Strong enforcement is critical to success as standards quickly fall if frequent and robust checks are not carried out.

• Licenses are good but enforcement is inadequate.

There was a widespread feeling that the Council has made the scheme too bureaucratic and that it does not have capacity to deliver the checks needed.

- HMO process is far too complicated. The HMO system has forced many many properties from the HMO market, because of the complication and unnecessary bureaucracy, and excessive costs.
- It took a year for the council to come out and inspect my properties. They then requested unnecessary changes. The council then did not bother to reinspect the property after changes were made. It is just another money making scheme from the council.
- The council has taken more than what they can handle. They have just gone to create extra income and that is the only reason for licence.
- Coventry City Council do not have the human resources to successfully carry out the additional work that comes with this scheme.

There was general consensus that there are too many HMOs in Coventry and that we need to focus on family homes rather than housing students.

- There are too many HMOs in Coventry and they do not provide good quality space for people or families. We require proper homes for people in the city and HMOs do not provide this.
- Stop the terrible spread of these HMO's which are removing valuable housing stock from the market for council tax payers (students do not pay any council tax and make up the vast majority of HMO occupancy)
- I do not know much about the licencing but would be interested to know. Have the council stopped any more HMO in Coventry now? as we have far too many.
- Please do something to prevent areas like cannon park estate turning into a complete student hmo area. These are lovely houses which would be lovely rentals or purchase by families. All sense of community has gone and we are left with tatty hmos. And a constantly changing population, settled families here are moving out of Coventry

Some comments referred to the fact that the additional license scheme does not solve any of the problems it sets out to address in regard to bad landlords and that it is not being enforced.

- The additional licensing scheme has not been a success but is no longer needed. There is
  little public faith in the scheme as any other than a money making scheme for the council. It
  has reduced PRS numbers, increasing rents, and frankly does the opposite of what it purports
  to do. Coventry should take example form other local authorities as how to how to
  successfully manage a licensing scheme without driving out non-rogue landlords.
- The scheme has succeeded in getting landlords like us (who won Warwick University's landlord of the year) to move away from HMOs because of the onerous and impractical conditions with no apparent benefit in terms of improving the behaviour of poor landlords.
- There needs to be a higher level of checking to ensure compliance with the regulations and stronger, more immediate sanctions for landlords who don't comply keep the property in good condition, who don't ensure the good behaviour of their tenants and who allow illegal or antisocial behaviour in their property.

- There is no value to a landlord for participating in the scheme.
- The council doesn't demonstrate that its taking action against non compliant landlords. we were told that the high fees to gain a license was to fund implementation and get bad landlords out of the market!!! I've not seen any evidence that has happened.

Following on from the previous theme, a large number of respondents felt that many HMOs are badly maintained and that they have a negative impact on the local community.

- HMO's near me are filthy and poorly maintained. Rubbish everywhere and the houses look tatty. They bring down the neighbourhood. Landlords make a fortune but should be made to maintain their properties. It's horrible to walk around here now.
- Too often, Landlords do not live in the area, and are often indifferent to maintaining their properties to acceptable standards that are needed to maintain the quality of the neighbourhood. In addition to poorly kept lawns and gardens, fences, garage fascias, guttering are evident in deteriorating or poor condition.
- In all areas where HMOS are in coventry have become hell holes. Hmos are a blight on the areas. Once family homes and communities are now pit stops for for people of no long term concern for this city. The areas are blighted by fly tipping, you literally wade through rubbish walking the streets .... The communities have been destroyed. The older people in the communities feel lost and helpless in an unfamiliar land.
- HMOs are a blight in Coventry and no longer needed they have ruined communities and most do not meet regulations and only increase anti social behaviour, littering and other issues, ran by greedy landlords many operating outside of Coventry, bringing no revenue onto the city and costing the council loss of money ie council tax and costs for differing services and impact on Infrastructure.

A number of responses stated that the Additional Licensing Scheme is unfair on good landlords and that bad landlords are going under the radar and not being picked up by this scheme.

- Since selective licensing was introduced, nothing has really changed to warrant continuing without significant change. Currently Agents and owners are viewed as cash cows, and not as partners in improving standards of HMO property in Coventry. There is a better way.
- Compliant landlords generally stay on the side of Licensing compliance and keep their properties in good condition for the tenants. Compliant landlords are easy targets for additional costs/ fees ...rogue landlords fly under the radar . Scrap the additional licenses or reduce costs and make simpler for compliant landlords.
- With all the new blocks in the city there is now way to much HMO accommodation and many good landlords with high quality properties but no tenants are being forced to sell up having spent thousands of pounds meeting HMO license requirements. So bad landlords get away with ignoring the new rules good landlords are leaving the market ?? has it worked well I don't think so.

The final theme from the open-ended comments focused on needing to make things the landlord's responsibility.

- Landlords need to be held accountable for the state of their properties.
- Unfortunately, there remain landlords who rent out properties without a license.

#### EQUALITY QUESTIONS

#### AGE

	Number	%
16-24	4	2%
25-34	15	8%
35-44	37	19%
45-54	44	23%
55-64	54	28%
65-74	30	15%
75-84	9	5%

#### SEX

	Number	%
Male	85	46%
Female	92	49%
In another way	2	1%
Prefer not to say	7	4%

#### RELIGION

	Number	%
Buddhist	1	
Christian	87	47%
Hindu	2	1%
Muslim	2	1%
Sikh	8	4%
No Religion	49	27%
Atheist	15	8%
Prefer not to say	20	11%
Other	7	4%

#### HOW WOULD YOU DESCRIBE YOUR ETHNIC BACKGROUND.

	Number	%
White British	138	81%

White Irish	9	5%
Other White Background	7	4%
Mixed White and Black Caribbean	1	
Mixed White and Black African	1	
Mixed White and Asian	1	
Other Mixed or Multiple Ethnic Background	2	1%
Asian or Asian British Indian	10	6%
Asian or Asian British Bangladeshi	2	1%
Asian or Asian British Chinese	2	1%
Black or Black British Caribbean	1	
Other	1	
Prefer not to say	16	9%

#### DO YOU CONSIDER YOURSELF TO BE A DISABLED PERSON?

	Number	%
Yes	18	10%
No	168	90%

#### **Additional comments**



#### Additional Licensing Designation comment

Council documents state that Additional Licensing is required to operate a house in multiple occupation that is shared by three to four tenants living in two or more households.

The view of CPCA is that every opportunity should be available to register and monitor HMOs, so the Coventry City Council is aware of all HMOs, including those defined above, via a licensing process.

The main reason for this and using the Cannon Park/Cannon Hill Road area as an example, is that a significant proportion of HMOs are not maintained to a standard compatible with the neighbourhood.

Maintenance issues with HMO properties, including facias, gutters, and fences are an ongoing issue in the area. Gardens are frequently not well maintained, and weeding is seldom, if ever, done. This leads to ongoing weed invasion in driveways and pavement verges, which causes deterioration of these areas. In addition, gardens, usually grass along with weeds, are mowed infrequently. All these factors result in parts of the Estate and local streets looking "run down", which is unacceptable to home owner-occupier residents.

There are also significant issues at the beginning of the University academic year with the management of refuse and the correct use of the three colour-coded refuse bins, a problem which continues throughout the year. Incorrect refuse management results in refuse being placed in the incorrect bin for example, bagged kitchen waste being placed in both the "blue top" recycled refuse bin and "brown top" compost bin. Consequently, these bins are not emptied on the designated collection day resulting in overfilled bins and fly tipping of uncollected refuse on pavements, driveways, and gardens. In addition to creating a poor impression in the neighbourhood, vermin and scavenging birds, including gulls, then become an issue.

All of this highlights the need for mandatory and effective licensing, including Additional Licensing, with regular and rigorous ongoing surveillance of licensed properties by Council officers so that landlords can be held accountable. Where non-compliance with license conditions is identified, ameliorative measures must be taken within the conditions of the licensing scheme. Only in this way can further deterioration of a neighbourhood be curtailed. It must be noted that in areas where HMOs predominate, local residents cannot be expected to police the standard of HMOs and their compliance with license conditions.

Dave Swanson

Chairman

Keith Struthers Secretary



Mr A Chowns Via email

19 September 2023

#### **Coventry City Council Additional Licensing scheme consultation**

Dear Adrian,

I write to support an Additional Licensing scheme in Coventry, building on the success so far. High quality housing is fundamental to the success of the city and our wider region, to make it a great place for people who study, live and work here. Many rely on the private rental sector to meet their needs.

For the University, this plays an important part in our students' experience with us. When they graduate, we are glad that some choose to apply their knowledge and experience with local employers and make their homes in the area – enabled by good places to live. And as neighbourhoods change over time, it is important the strengths of those communities are supported and the negative impacts on them are managed.

We welcome the Additional Licensing scheme's contribution to supporting these residents. Additional Licensing ensures Houses of Multiple Occupation (HMOs) are managed properly, with basic standards of safety and provision. Without it, hundreds more properties would not have achieved these minimum standards nor engagement with the Council to ensure property managers are 'fit and proper'. We are glad that this work is improving the private rental sector. Furthermore, we have observed a reduction in neighbour complaints about students involving noise, rubbish, housing disrepair and other anti-social behaviour over the period of the current scheme.

Successful Additional Licensing schemes are supported by other strategic interventions to improve the quality of local housing stock, such as the Coventry Landlord Accreditation Scheme. The University will continue to make such positive interventions. By way of example, we have supported Warwick Students' Union to launch the Rate Your Landlord platform – empowering students to review their accommodation and make informed decisions when choosing a new home to reward the best landlords. This includes an annual celebration event for best practice among landlords.

We look forward to ongoing and further work together to improve the quality of local housing.

Yours sincerely,

Sim from

Professor Simon Swain, Vice-President Engagement, University of Warwick

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