

Improving the Private Rented Sector in Brent

Selective Licensing Proposals

Evidence for Consultation 2022

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1. Glossary

Term	Meaning
Private Rented Sector	The portion of housing in the borough that is rented from
(PRS)	private landlords
Privately rented	Homes rented from a private landlord
Socially rented	Homes rented from the council or a housing association
Selective Licensing	A local scheme which requires landlords to have a licence to legally let their property to a family or two sharers
Additional Houses in Multiple Occupation (HMO) Licensing	A local scheme which requires landlords to have a licence to legally let their property to three or four unrelated sharers living in two or more separate households
Mandatory Houses in Multiple Occupation (HMO) Licensing	A national scheme which requires landlords to have a licence to legally let their property to five or more unrelated sharers living in two or more separate households
Designation	A geographical area chosen for licensing based on evidence
Housing Health and Safety Rating System (HHSRS)	A government prescribed system that rates housing hazards based on their risk to occupiers' health, safety, and welfare
Category 1 hazard (Cat 1)	A serious or immediate risk to a person's health and safety that is related to housing
Category 2 hazard (Cat 2)	A less serious or less urgent risk that can still be regarded as placing the occupiers' health, safety, and welfare at risk
Statutory Notice	A legal document issued by the Council that requires the recipient to complete specified actions within a specified timeframe
Antisocial behaviour (ASB)	Behaviour related to a rented property that causes annoyance and irritation to neighbours and the community. Most commonly noise, litter and waste.
Deprivation	Living on low income and not having the money to pay for some basic requirements.
Indices of Multiple Deprivation	A dataset produced by the government to give a relative value to how deprived an area is, compared to the rest of the country.
Barriers to housing and services	One of the government's measures of deprivation. It combines measures relating to housing affordability, overcrowding and homelessness.
Minimum Energy Efficiency Standard (MEES)	Regulations that set a minimum energy efficiency standard (EPC rating of E) that applies to private rented properties.
Energy Performance Certificate (EPC)	EPCs rate how energy efficient properties are using grades from A to G (with 'A' the most efficient grade).
Accreditation	Schemes overseen by various organisations, including local authorities and landlord associations, to provide training and encourage good practice by private landlords.

2. Executive Summary

The private rented sector (PRS) in Brent has seen rapid growth over the last eleven years, with around 58,000 homes in the borough privately rented. However, poverty is widespread across the borough with many households experiencing financial difficulties. In addition, there is significant and persistent evidence of antisocial behaviour (ASB) across particular wards in the borough.

Above average London rents and rising energy costs has severely impacted affordability which in turn has led to overcrowding, a deterioration in property conditions and high levels of evictions and homelessness.

The prevalence of Covid-19 has demonstrated the vulnerabilities of those in the most deprived areas, often where Black, Asian and Minority Ethnic (BAME) communities are concentrated.

Whilst the majority of PRS properties are well maintained and safe, there is a growing minority that are sub-standard and dangerous. Even well-meaning landlords may not always be up to date with the latest legal and safety requirements. These properties not only endanger the health, safety and wellbeing of tenants, but cause issues with neighbours and end up requiring many interventions from already stretched council teams. The council needs to use all the tools it has to improve the situation for tenants renting properties in this sector. Licensing is a vital part of this.

In order to build on the successes of its current licensing schemes, the council is proposing to introduce a new selective licensing scheme that will apply to all privately rented properties in 21 wards of the borough. The scheme will be implemented in two phases. The phased approach to implementation will allow the Council to scale up resources to administer and enforce a larger designation.

The first phase (designation 1) would cover a total of 3 wards and would allow the council to deal with the worst ASB and poor property conditions as soon as possible. ASB and poor property conditions are the grounds relied upon for this proposed first designation, which covers less than 20% of the geographical area of Brent and less than 20% of its privately rented housing and therefore, this can be approved by the Council's Cabinet. This designation could be implemented in June/July 2023.

The second phase (designation 2) would cover a total of 18 wards on the basis of poor property conditions. Due to its size, this designation would need confirmation by the Department of Levelling up Housing and Communities (DLUHC). If approved, designation 2 could be introduced by the end of 2023, or early in 2024 however this will be dependent upon DLUHC.

Whether you are a private tenant, landlord, managing or letting agent, local resident or business, we want to hear your views on the councils' proposals for private property licensing in Brent.

3. Introduction

This consultation document provides information about the scale of problems relating to poor housing conditions and high ASB in Brent's private rented sector and the evidence to support the council's proposal to introduce new licensing schemes. It also provides a detailed description of the proposed new licensing schemes, the proposed new licence conditions and proposed fees.

We want to know your views on our proposals before any final decision is made about private rented sector licensing in Brent. We are keen to hear from all Brent residents, especially private tenants. Also, landlords and managing agents with properties in the borough and anyone or any organisation with an interest in the private rented sector.

We would encourage you to complete our online survey by visiting: <u>www.brent.gov.uk/landlordconsultation</u>

We shall also be holding a number of forums and workshops during the consultation period. If you are interested in sharing your experiences and views, please email <u>prslicensing@brent.gov.uk</u>

The consultation will run for 12 weeks from **31 October 2022 until 23 January 2023**

For further information about the proposed new licensing schemes, assistance with completing the questionnaire or to request a paper copy of the consultation please contact:

- Email: prslicensing@brent.gov.uk
- Telephone: 020 8937 2384/5
- **Post:** Tony Jemmott, Private Housing Services, 6th Floor, Brent Civic Centre, Engineers Way, Wembley, HA9 0FJ

Once the consultation has closed the council will review the replies. A full consultation report, including the council's response to any alternatives suggested, will be published on the property licensing pages of the web site.

4. The private rented sector in Brent

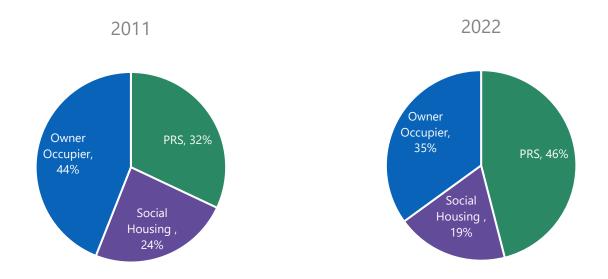
In order to obtain a greater understanding of the private rented sector in Brent, Metastreet Ltd was commissioned to review the housing stock in the borough and investigate and provide accurate estimates of:

- Current levels of private rented sector (PRS) properties and tenure change over time.
- Levels of serious hazards that might amount to a Category 1 hazard (HHSRS).
- Other housing related stressors, including antisocial behaviour (ASB), service demand, population and deprivation linked to the PRS.

The full report is attached as **Appendix 1** however, some key findings from the report are detailed below.

Housing Tenure

Consistent with the long term nationwide and regional trend, the private rented sector (PRS) in Brent has grown steadily from 32% in 2011 to 46% in 2022.¹ This represents a 43.8% increase over the last 11 years. There are a total of 127,378 residential dwellings in Brent, 58,105 of which are privately rented.²



Housing Tenure in Brent 2011 & 2022

Private renting has grown at the expense of owner occupation; however, a sizable proportion of the growth appears to come from new supply.

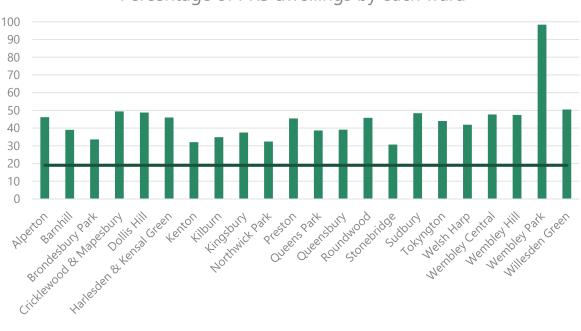
¹ <u>https://data.london.gov.uk/dataset/dwelling-stock-tenure-and-condition-borough</u>

² Housing Stock and Stressors Report, Metastreet, 2022

Number of dwellings by tenure 2001, 2011 & 2022 dwellings by ward ³	5

	2001	2011	2022
PRS	20,183	34,735	58,105
Social housing	23,881	26,591	24,053
Owner occupier	55,927	48,960	45,220
Total	99,991	110,286	127,378

The PRS is spread across all 22 wards in Brent. The percentage of PRS properties in each ward ranges between 98% in Wembley Park and 31% in Stonebridge. All of Brent's wards have a higher percentage of PRS than the national average (England), which was 19% in 2021. The average rate of PRS across all wards is 46%, (and the average is 39.6% for all wards excluding Wembley Park).



Percentage of PRS dwellings by each ward

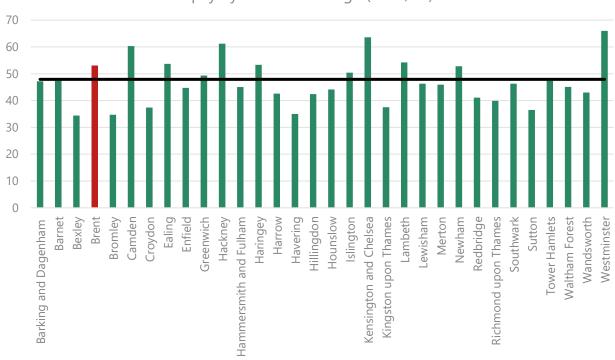
Horizontal black line shows national average 2021 (19%)

Rent and affordability

One of the major changes to the PRS across London over the last 20 years has been the increase in rent. This has resulted in problems with residents being able to afford and access decent, affordable housing. Brent has above average rents for London, with 53% of average earnings used to pay rent.⁴ The London average is 47.9%.

³ ONS & Housing Stock and Stressors Report, Metastreet, 2022

⁴ Valuation Office Agency (VOA), Private rental market summary statistics: 2018



Average rent for a one-bedroom property as a percentage of gross pay by London borough (2019/20)

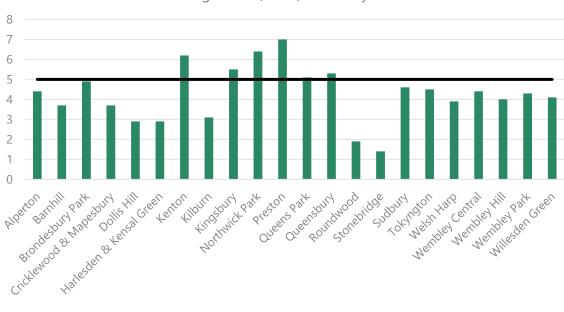
Horizontal black line shows London average (47.9%)

Deprivation

The Indices of Multiple Deprivation (IMD) is a measure of relative deprivation for small areas (Lower Super Output Areas (LSOAs), based on seven domains of deprivation: income, employment, education, health, crime, living environment, and barriers to housing and services. Brent ranks as the 49th most deprived borough in England out of 317.⁵

Brent has a mixture of high and low deprivation wards with 16 of 22 wards having an aggregated IMD ranking below the national average.

⁵ ONS 2019 <u>https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019</u>,



Average IMD (2019) decile by ward

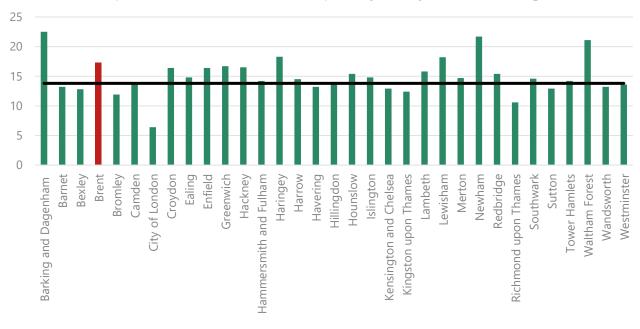
Horizontal line shows the national average (5)

Fuel Poverty

With energy prices set to surge in the next 12 months, the number of households in fuel poverty is set to significantly rise. In general, fuel poverty relates to households that must spend a high proportion of their household income to keep their home at a reasonable temperature. Fuel poverty is affected by three key factors: a household's income, their fuel costs, and their energy consumption (which in turn is affected by the energy efficiency of the property).

The fuel poverty score produced by the Department for Business, Energy & Industrial Strategy (BEIS) using 2019 data and published in 2021 shows that currently Brent has a higher proportion in fuel poverty (17.3%) than the national average (13.8%).⁶ These figures are likely to significantly change as a result of the recent acute fuel price increases.

⁶ Department for Business, Energy & Industrial Strategy 2021 <u>https://www.gov.uk/government/statistics/sub-regional-fuel-poverty-data-2021</u>



Proportion of households in fuel poverty (%) by London boroughs

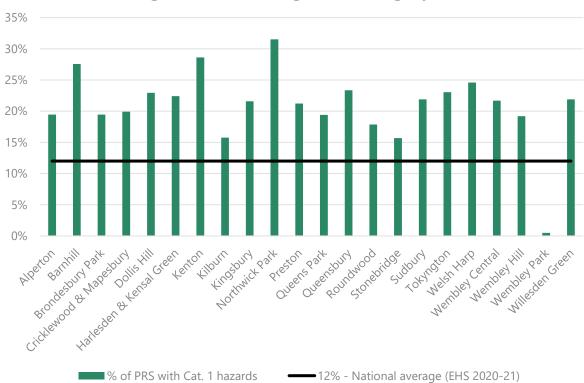
Horizontal line shows England average (13.8%)

Housing Conditions

The recent review of Brents housing stock has provided insights about the presence and distribution of a range of housing factors in the borough⁷. The main finding was that poor housing conditions are widespread in the PRS. Under the Housing Health and Safety Rating System (HHSRS), category 1 hazards are the most serious housing hazards and may result in the immediate risk to a person's health and safety. A significant category 2 hazard, although less serious or less urgent, can still be regarded as placing the occupiers' health, safety and welfare at risk.

Our evidence shows that category 1 hazards in Brent's PRS are distributed across the whole borough, with over 10,000 private rented properties having at least one category 1 hazard, representing 18% of Brents PRS (excl. known HMOs). 21 of 22 wards have levels of category 1 hazards above the national average (12%).

⁷ Housing Stock and Stressors Report, Metastreet, 2022



Percentage of PRS dwellings with Category 1 hazards

Under the current Minimum Energy Efficiency Standard (MEES), properties must have an Energy Performance Certificate (EPC) rating of E and above before they can be let out. Currently in Brent, 1.3% of the PRS have an F and G rating, which means approximately 755 PRS properties are likely to fail the MEES statutory requirement.

The statistical evidence shows that there is a continuous relationship between indoor temperature and vulnerability to cold-related deaths⁸. The colder the dwelling, the greater the risk. The percentage rise in deaths in winter is greater in dwellings with low energy efficiency ratings. Children in cold homes are twice as likely to suffer from a variety of respiratory problems⁹. Therefore, the F and G properties present a serious risk to the occupants' health, particularly if over the age of 65.

There is also a gradient of risk with age of the property, the risk being greatest in dwellings built before 1850, and lowest in the more energy efficient dwellings built after 1980¹⁰. Brent has a high level of residential properties (65.7%) built before the Second World War. Wards with a majority of older properties tend to have more hazards such as excess cold, fire & electrical issues, damp and mould.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/15810/142631.pdf ⁹ Health Equity in England: The Marmot Review 10 Years On, 2020 <u>https://www.health.org.uk/publications/reports/the-marmot-review-10-years-on</u>

⁸ Housing Health and Rating System, Operation Guidance, 2006

¹⁰ Housing Health and Rating System, Operation Guidance, 2006

5. Property licensing schemes

Property licensing allows the council to regulate private rented properties in their areas by issuing a licence to the person responsible for the property, usually the landlord, which contains conditions that relate to the properties management, use and upkeep. This helps to improve the condition and management of privately rented properties and makes renting in the private rented sector safer and fairer for tenants.

Property licence conditions are wide ranging and include requirements relating to maximum occupation, gas, electrical and fire safety, pest control, refuse/recycling management and energy efficiency.

There are three types of property licensing schemes operating in Brent:

Selective Licensing

- Applies to properties let to single family households or two sharers
- Area designated by the council
- Large scheme need approval by DLUHC

Additional HMO Licensing

- Applies to smaller houses in multiple occupation (HMOs) let
 to 3 or 4 unrelated people, forming 2 or more households who share amenities such as a kitchen or bathroom.
- Certain converted blocks of flats (Section 257 HMOs)
- Area designated by the council

Mandatory HMO licensing

- National scheme
 - Applies to all Councils and affects large HMOs, let to 5 or more unrelated people, forming 2 or more households who share amenities such as a kitchen or bathroom.







6. Property licensing schemes in Brent

In January 2015 Brent introduced a Selective Licensing scheme which applied to all private rented housing in the wards of Harlesden, Wembley Central and Willesden. This scheme expired on 31st December 2019.

In June 2018 the Selective Licensing scheme was extended to the wards of Dudden Hill, Kensal Green, Kilburn, Mapesbury and Queens Park. This latter designation is still in operation and will run until 30th April 2023.

Borough wide Mandatory HMO Licensing and Additional HMO licensing schemes are also in force.

Licensing schemes require landlords to proactively manage their properties and take action to address any problems in order to comply with licence conditions. It encourages better standards of property management. The council has worked collaboratively with landlords to make sure these requirements are met. The council has carried out enforcement actions when needed to raise standards. Whilst these schemes have enabled the council to begin to make real progress in raising standards in the private rented sector, there is still much more to do.

Results of the previous licensing schemes

Key to any licensing scheme is an inspection and enforcement regime that ensures that licences are applied for, valid applications are processed and that there is compliance with the conditions of licences issued.

Since the introduction of the licensing schemes in 2015, a total of 17,930 licences have been granted.

Licence Type	Licences Granted
Mandatory	3419
Additional	3241
Selective (Scheme 1) 2015 -2019	5644
Selective (current scheme) 2018 – To date	5626

Prior to the existing schemes coming into force the council had estimated the number of properties that would be licensable. The actual number of properties licensed has been greatly exceeded. The success of the take-up of the selective licensing schemes is shown in the following table.

Licence Type	Properties Licensed	Estimated Number of licensable properties	Percentage %
Selective (Scheme 1) 2015 -2019	4699	2823	166%
Selective (current scheme) 2018 – To date	5626	4360	129%

Local authority housing statistics data returns for 2020 to 2021¹¹ show that Brent has licensed the highest number of mandatory HMOs out of all London boroughs and the fifth highest in England.

England		London	
Bristol	2,718	Brent	2,364
Nottingham	2,574	Ealing	1,452
Birmingham	2,500	Haringey	1,225
Liverpool	2,394	Southwark	851
Brent	2,364	Lewisham	847
Manchester	2,247	Croydon	804
Southampton	2,208	Hounslow	800
Newcastle upon Tyne	2,168	Newham	759
Brighton & Hove	2,155	Tower Hamlets	680

As part of the licensing process properties are risk assessed and prioritised for compliance inspections. This approach has allowed the council to target properties of most concern. The council has carried out over 11,000 targeted and random inspections during the lifetime of the schemes to ensure ongoing compliance and that landlords are making necessary improvements to property conditions.

As a result of direct action taken, over 8,200 properties have been improved during the lifetime of the schemes.

Year	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Total
Totals	1281	968	1008	1167	1055	1245	1004	516*	8244

*Year to date – The total PRS properties improved per year

Over the past five and a half years 8,753 properties have been inspected, resulting in 5,995 properties seeing an improvement in condition as a consequence. This equates to an improvement rate of 68%.

An effective licensing scheme relies on robust enforcement and by using intelligence gathered via licence applications and service requests, the council has been able to

¹¹Local authority housing statistics data returns 2020 to 2021

better target enforcement action towards the minority of landlords who fail to invest in their properties or meet their legal obligations.

Properties owned by landlords who have deliberately evaded the licensing schemes are often doing so in order to operate under the radar. This allows them to cover up evasion in other areas such as unpaid tax on rental income, unpaid Council tax, fraudulent housing benefits claims, illegal immigration and even slavery¹². Their properties are also much more likely to have hazards. Bringing landlords into the framework of licensing schemes shines a light on these other areas and can bring them into compliance in multiple areas.

The table below summarises the councils' enforcement outcomes that have been achieved through the licensing schemes.

Activity	Output	Outcome
One-year licences issued as a consequence of concerns at time of application	2131	Issues mainly regarding lack of gas safety certificates, overcrowding, planning issues and irregularities in ownership details.
Warning letters sent	5280	Properties brought into compliance i.e. licence application made or confirmation of property status received.
Prosecutions	187	£1.8m in fines and costs 1 prison sentence issued
Civil Penalty notices issued	253	£850,000 reinvested in to PRS Enforcement
Proceeds of Crime Confiscation Award	1	£365k in confiscation order, fines and costs. In December 2018, Brent became first LA to be granted a Confiscation Order under the Housing Act 2004
Landlords training and accreditation	1796	Third highest number of accredited landlords of all London boroughs (January 2022)

Supporting good landlords

Through the licensing schemes a database of over 10,500 landlords and agents operating in Brent has been compiled, supporting better communication and engagement with the sector through a regular e-newsletter and a twice-yearly landlords forum.

The council recognises that having accredited landlords is part of the key to raising standards in the private rented sector and have actively encouraged all landlords to become accredited to achieve a level of housing knowledge and competence before letting a home. As of January 2022, Brent had 1796 landlords accredited to the

¹² Dealing with Rogue Landlords, P7, DCLG, 2012

London Landlord Accreditation Scheme, which is the third highest figure of all London boroughs.

Since 2015, in conjunction with Midas Property Club, the Council has hosted landlord forums which on average have been attended by over 200 landlords and agents with private property interest. Landlord training and forums have continued virtually during and post the covid-19 pandemic.

Supporting private rented sector tenants

In promoting tenant's rights and responsibilities, tenants' awareness of the minimum standards to be expected in rented accommodation has dramatically increased. Tenants have been encouraged to report landlords who do not comply with licensing conditions. Since the start of the licensing schemes the council has received 5804 requests for service from tenants in the private rented sector regarding disrepair, resulting in significant interventions and property improvements.

It is clear from running these schemes, that licensing allows the council to work proactively with landlords and tenants. Licensing provides clear conditions for landlords to comply with, promotes an improvement in property conditions and enables ASB to be minimalised through better, effective management. Licence conditions can be enforced against much more effectively and quickly than using other powers available to the council, such as Part 1 of the Housing Act (2004). Formal action under Part 1 is generally a slow process with appeals allowed for most types of notices, which can significantly delay the time period for compliance.

7. Proposals for a new selective licensing scheme

Brent is a diverse borough with various housing issues related to the PRS. There is evidence of poor housing in most wards, which is compounded by other factors such as ASB, deprivation, high rents, above London average private rented property possession claims, fuel poverty and homelessness.

The council has been truly selective in proposing the areas for this licensing scheme. Thorough evidence gathering and research has been carefully carried out to ensure that the most severe problems in each ward can be dealt with. All properties in the designated areas that are rented to single families (or two sharers) will need to have a licence to be legally let.

The council is proposing a five-year scheme made up of two proposed designations to be implemented in, potentially, two phases.

The first proposed phase (designation 1) covers a total of 3 wards. The size of these designations, which affect less than 20% of the geographical area of Brent and less than 20% of its privately rented housing, means they can be agreed locally by the council's cabinet and could be brought in by June/July 2023.

Subject to consideration of the responses in the consultation process, the Council is keen to seek to address the serious problems of ASB and poor property / housing conditions in the 3 wards at Dollis Hill, Harlesden and Kensal Green, and Willesden Green as soon as reasonably practicable

The Cabinet decision on whether to designate other areas in the second designation phase as set out below will be brought to a subsequent Cabinet, to give further consideration to the larger designation, as well as giving time to scale up resources and systems to administer and enforce a larger designation

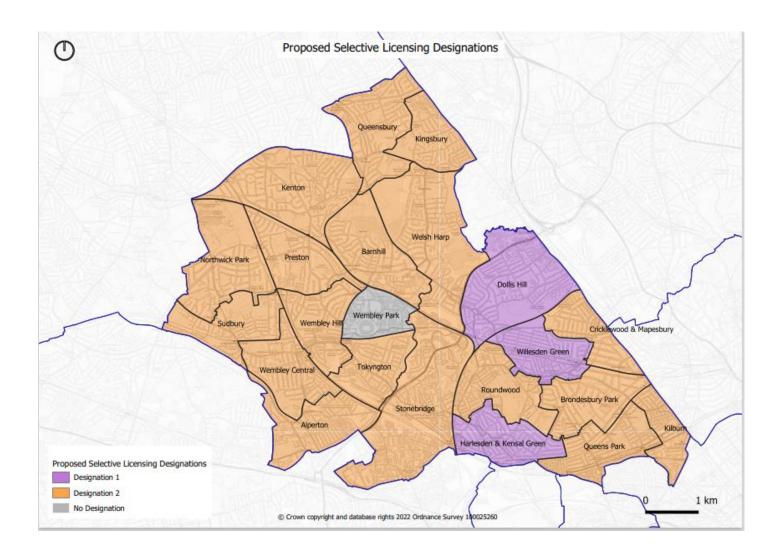
The second phase (designation 2) covers a total of 18 wards and 62% of the total PRS. Due to its size, after being agreed by Brent Council, this designation would need confirmation by the Department of Levelling up Housing and Communities (DLUHC). If approved, designation 2 could be introduced by the end of 2023. The decision on designation 2 will be made at a separate and subsequent later Cabinet meeting after the Cabinet decision on designation 1.

DESIGNATION 1	DESIGNATION 2
Poor Property Conditions & Very High Repeat ASB	Poor Property Conditions

Cricklewood & MapesburyStonebridgeKentonSudburyKilburnTokyngtonKingsburyWelsh HarpNorthwick ParkWembley CentralPrestonWembley Hill
--

All the designations are subject to change as a result of this consultation and the council welcomes input into the scheme.

Map of the proposed selective licence scheme designations



Designation	Designation Criteria
1	Poor property conditions and very high, repeat ASB
2	Poor property conditions

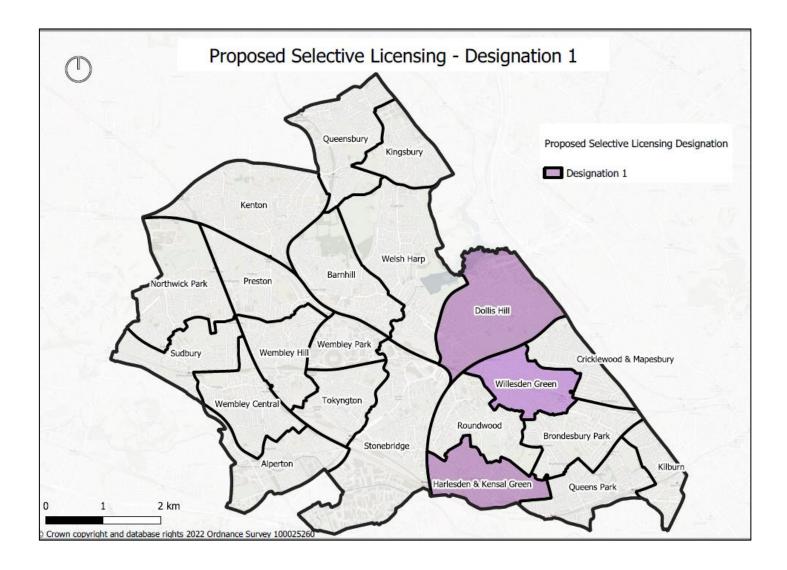
Data summary for the borough

	Designation Criteria		
Wards	High Proportion of PRS (above the national average of 19%)	Poor Property Conditions (above national average of 12%)	Very High Number of PRS Properties with Repeat ASB
Alperton	✓	✓	
Barnhill	✓	✓	
Brondesbury Park	✓	✓	
Cricklewood & Mapesbury	✓	~	
Dollis Hill	✓	✓	✓
Harlesden & Kensal Green	\checkmark	~	~
Kenton	✓	✓	
Kilburn	✓	✓	
Kingsbury	\checkmark	\checkmark	
Northwick Park	\checkmark	\checkmark	
Preston	\checkmark	\checkmark	
Queens Park	\checkmark	\checkmark	
Queensbury	\checkmark	\checkmark	
Roundwood	\checkmark	\checkmark	
Stonebridge	\checkmark	✓	
Sudbury	✓	✓	
Tokyngton	\checkmark	✓	
Welsh Harp	\checkmark	✓	
Wembley Central	\checkmark	✓	
Wembley Hill	\checkmark	✓	
Wembley Park			
Willesden Green	\checkmark	\checkmark	\checkmark

7.1 Phase 1 - Designation 1: Poor property conditions and Antisocial behaviour (ASB)

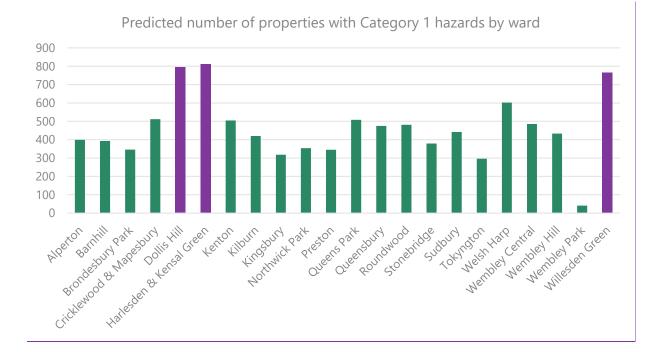
Which areas are included in this designation?

The three wards in this designation are Dollis Hill, Harlesden & Kensal Green and Willesden Green. These wards have poor property conditions and the highest levels of ASB connected to the PRS compared to all other wards in the borough. In addition, these wards have a high proportion of properties in the private rented sector (above the national average of rented properties).

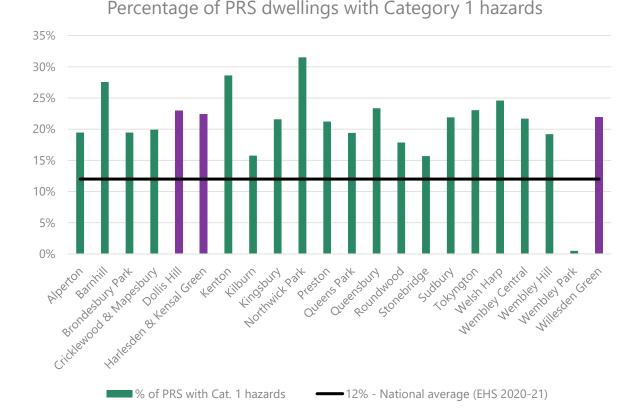


What is the evidence of poor property conditions in this area?

Our evidence shows that the three wards in this designation have the highest number of properties with at least one Category 1 hazard. Harlesden & Kensal Green (812), Dollis Hill (796) and Willesden Green (766). The proportion of properties in each ward with category 1 hazards is also around double the national average of 12%.¹³



¹³ English Housing Survey 2020-21



Overall, in these three wards, there are 2,374 properties in the PRS that are predicted to have category 1 hazards. A significant number of these would need to be inspected to ensure tenant safety.

The council has powers to take enforcement action under various legal provisions. Where housing hazards, disrepair, public health or planning concerns are identified that need enforcing, statutory notices can be served on the responsible persons requiring action to be taken within a specified timeframe.

The properties in these three wards have required a significant number of council interventions, representing a huge drain on council resources. Over a five-year period (2017-2022) the council has issued 2283 housing, public health and planning enforcement notices. Willesden Green (875), Harlesden & Kensal Green (729) and Dollis Hill (679) received the most statutory notices.

How will licensing deal with poor property conditions in the designated area?

The designation of these three wards will allow the council to start dealing with some of the worst property conditions in the borough. This designation is in phase 1, which could be brought in by June / July 2023.

There will be clear licence conditions relating to the standard and management of rented properties in the area. Higher risk properties will be prioritised for inspection by officers to check for hazards and compliance with licence conditions. The council

will take enforcement action (under Part 1 of the Housing Act), where necessary, to improve poor property conditions.

It is much easier to rectify property issues under the legal framework of the licensing scheme and when the landlord and other property management companies are known to the council. Landlords who fail to licence their properties could receive a civil penalty for failure to license.

Information and support on the professional management of properties will be available to landlords through the council's web site and landlord forums (in person and online). The licence conditions relating to the management of the properties will help ensure that properties are properly managed to prevent further deterioration.

The council will work with landlords to address poor property conditions and help them to comply with the licence conditions in these wards.

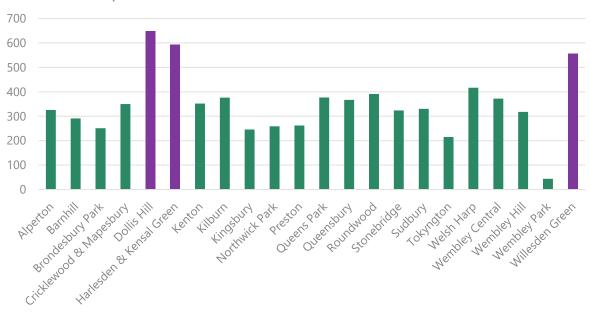
The council will also continue to work with the London Fire Brigade, Home Office, Police, HMRC, as well as additional council departments, to identify properties that need improvement. In addition licensing has seen better and more effective working with internal stakeholders too, such as planning enforcement, The Brent Joint Action Group (BJAG), Brents Enforcement Practitioners Group (EPG), Empty Properties Team, Housing Needs, Council Tax and others.

Over the last seven years of the previous schemes, this co-working resulted in an increase in prosecutions of rogue landlords to 189. This can largely be attributed to the increased and efficient intelligence sharing across multiple disciplines.

What is the evidence of ASB in the private rented sector in this area?

In these three wards alone, there were 2421 complaints of ASB over a five-year period. Follow up investigations identified that the majority of complaints were around substance misuse and noise and rowdy behaviour.

Once a complaint is received and verified as being in a property that is privately rented, the Housing Enforcement team is notified. 424 properties in these wards had repeat ASB, showing that some landlords are failing to take the appropriate action to deal with ASB in their properties when it first occurs.



Properties with 1 or more ASB incidents (2017-2022)

How will selective licensing deal with ASB in the designated area?

A new selective licensing scheme in these wards would give the council greater information and powers to deal with the properties that cause such a problem for neighbours and the community.

A designation of these three wards would allow the council to work proactively with the landlords and owners of the properties to prevent ASB and, where necessary, deal with ASB in their properties. The licence conditions will clearly state the responsibilities of landlords to prevent and also deal with any ASB that arises. There will also be guidance and support for landlords on how to manage tenants who are causing ASB. Information for tenants about their responsibilities about causing ASB will also be available.

Since 2015 an Enforcement Practitioners Group (EPG) has been operational which brings together regulatory enforcement teams from across the council, including Trading Standards and Planning to tackle complaints about ASB in privately rented properties. These complaints range from crack houses, brothels and cannabis factories to harassment of neighbours and issues with aggressive dogs. The group meets every five weeks, shares intelligence and works together to try and resolve ASB. On average twenty multi-agency operations are carried out each year.

In addition the Brent Joint Action Group (BJAG) is a multi-agency group which meets monthly to manage issues raised by residents (through ward panels) or through data analysis. Monthly hotspot maps are used routinely to prioritise multi-agency enforcement and engagement in the appropriate areas. In 2021/22, eight high priority cases were referred and managed through the BJAG. Issues such as

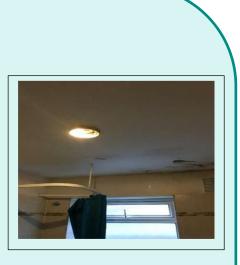
drug dealing and drug use were tackled during tasking operations and ASB enforcement powers such as Closure Orders used to deal with nuisance.

Case study 1: A service request was received by the Housing Licensing & Enforcement Team regarding a first floor flat with disruptive tenants and leak from bathroom flowing into the electrics in ground floor flat and failure to licence.

Initial Research: Properties were in a Selective Licence ward but were not licensed.

Action: The managing company were requested to submit an application without delay. As part of the application process, the Team arranged a Compliance Inspection of both properties. From the ground floor flat, it was obvious that the leak had been ongoing for a long time, as there was extensive damp and mould in the ceiling, the bathroom electrics were non-functional, and the flooring was saturated. The occupant of the first floor flat was aggressive and abusive and was resistant to the visit by Council's staff. The Team contacted the Licence Holder, highlighting breaches of the Licence Conditions, being Repairs (leaking bath causing damage to the ground floor flat) and the display of Anti-social behaviour (aggression and verbal abuse of the tenants). The Team served a Schedule of Works for the repairs to the bath and for the Licence Holder to provide evidence of how they were dealing with the ASB issues of the tenants.

Outcome: The owner of the first floor flat promptly applied for a Selective Licence. A new bath with the associated pipework was installed. After weeks of deliberation with the tenants and the placement Local Authority, and other complaints of ASB issues (including aggression to neighbours, fights, and smoking of class A drugs), the tenants were relocated to the hosting Council.





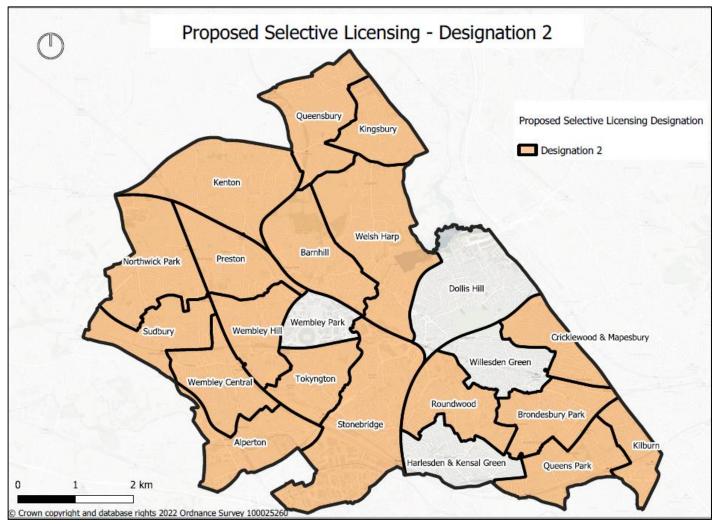
7.2 Phase 2 - Designation 2: Poor property conditions

Which areas are included in this designation?

The following eighteen wards are included in this designation:

Alperton Barnhill Brondsbury Park Cricklewood & Mapesbury Kenton Kilburn Kingsbury Northwick Park Preston Queens Park Queensbury Roundwood Stonebridge Sudbury Tokyngton Welsh Harp Wembley Central Wembley Hill

These wards all have poor property conditions demonstrated by high levels of category 1 hazards in the PRS.



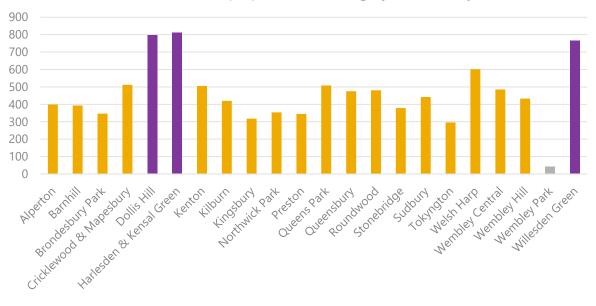
What is the evidence of poor property conditions in this area?

Our evidence shows that the eighteen wards in this designation have PRS properties that have unacceptably high levels of category 1 hazards.

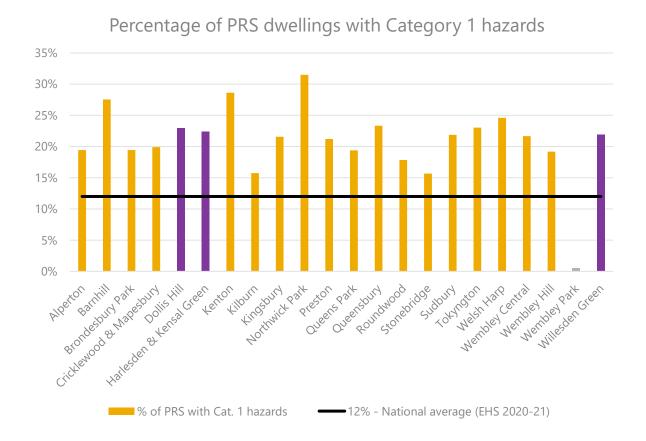
The properties in this designation have levels of category 1 hazards that are higher than the national average for PRS of 12%¹⁴. There may be at least 7,693 PRS properties in this area that have a category 1 hazard, a large proportion of which will need to be inspected to ensure the safety of the tenants that live in them.

The council receives a significant number of complaints from residents in these wards and in response to non-compliance, over a five-year period (2017-2022) the council served 5891 housing, public health and planning enforcement notices in relation to properties in this designation.

¹⁴ English Housing Survey 2020-21



Predicted number of properties with Category 1 hazards by ward



How will licensing deal with poor property conditions in the designated area?

The designation of these eighteen wards will allow the council to bring about an improvement to property conditions in the area during the life of the scheme. There

are proposed licence conditions relating to the standard and management of the rented properties. Higher risk properties will be prioritised for inspection by officers to check for hazards and compliance with the licence conditions. This will allow the council to take enforcement action (under Part 1 of the Housing Act), where necessary, to improve properties.

The council will expect property condition issues identified during an inspection to be resolved within a reasonable period, depending on the severity of the issue. Improvement Notices, Overcrowding Notices and Prohibition Orders are formal notices that may be issued to bring about improvements in properties. The council charges the landlord if a formal notice is issued.

Landlords who fail to licence their properties could also receive a civil penalty.

The licence conditions will be used to ensure continued compliance with property conditions and standards to prevent a further deterioration in the rented properties. Landlords will be able to access information on the council's web site and through forums (either in person or online) to help them improve their property management skills.

The council will also continue to work with the local Police, the London Fire Brigade, UKBA and other council departments to identify properties that need improvement. The council will work with landlords to address poor property conditions and help them to comply with the licence conditions in these wards.

Case study 2: Ground floor flat with numerous defects including fire safety issues and failure to licence

The Issue: Private Housing Licensing & Enforcement Team was alerted about this property following a service request from an MP on behalf of one of their constituents. There were numerous concerns raised including a defective boiler, radiator and toilet leak, fire safety issues, trip hazards, excess draught via the front door, defective bath faucet

Action: Desktop search revealed that the property was in one of the Selective wards. The investigating Officer contacted the owner, informing them of the licensing requirements and the concerns raised. An application was submitted forthwith. The Team arranged a visit and carried out a Licence Compliance inspection of the property as part of the application process. The property was occupied by a young woman with disabilities and her 2 years old son. The inspection highlighted breaches of the Licence Conditions, including Gas (defective boiler, no hot water), Security (damaged front door frame), External areas, Smoke alarms (no smoke or heat detectors), Carbon Monoxide alarms (no CO detector), Means of escape (defective door handles and locks), Electrical (damaged electrical kitchen socket), and Repairs (defective water closet flushing unit & leak from tank, missing bath glass rubber seal, defective bathroom floor covering, mouldy bathroom grout & silicone, defective bath faucet, rusty & leaking radiator, missing intumescent strips to lounge door, several trip hazards, and missing fire blanket). The Council served a Schedule of Works with various timeframes for the completion of the works.

Outcome: The owner applied for a Selective Licence. They had a new boiler installed, along with installation of a carbon monoxide detector, smoke & heat detectors, and a fire blanket. The owner completed all the other works within the timeframe given. The tenant called in to express a big "thank you" for improving the property and her mental wellbeing.







7.3 Why is Wembley Park ward not included in the selective licensing scheme proposals?

Although Wembley Park ward has a high level of rented properties, these tend to be relatively new builds and therefore do not have the high levels of housing hazards that we see in other parts of the borough. Wembley Park has required the least number of interventions from the council with only 28 Housing & Public Health Statutory Notices served over a five-year period.

Although there has been a small number of ASB incidents, there is negligible repeat ASB incidents. Therefore the evidence to support a designation based on ASB is also lacking.

The council considers it more appropriate to be selective in its approach and focus resources on the worst affected areas. However, this ward will be kept under review and a third designation could be considered should the evidence change.

7.4 **Proposed selective licensing scheme conditions**

There are two types of conditions that can be applied to a selective licensing scheme: mandatory and discretionary. The mandatory conditions are required by law (Schedule 4 of the Housing Act 2004) and must be included in a licence. These mandatory conditions <u>do not</u> form part of the consultation.

The discretionary conditions <u>are</u> part of the consultation and the council can decide on these in order to deal with the management, use and occupation of the licensed property.

In some circumstances, for a particular property, where the council believes there are specific issues not being covered by the discretionary conditions, additional or more specific conditions can be added.

As the two proposed selective licensing designations are based on different criteria, the discretionary conditions are tailored to tackle the conditions relating to the criteria in each area. For example, designation 1 includes ASB and there are specific discretionary licence conditions relating to ASB

The proposed selective licence conditions are attached as **Appendix 2**. These licence conditions form part of the consultation and the council welcomes any views on them.

7.5 Proposed selective licensing fee

Licence applicants will be required to pay a fee for each property that needs a licence. The proposed selective licence fee is £640 per property.

The council is required to split the fee into two payments. The initial part of the fee $(\pounds340)$ is charged to cover the cost of processing of the application. If the application for a licence is successful, the remainder of the fee $(\pounds300)$ will be charged before the full licence is issued. This part of the fee is a contribution to the other costs incurred by the Council in running and administering the licensing scheme, for example the cost to the council for enforcement of licences. Licence fees cannot be used elsewhere in the council or used to generate a profit.

We are also proposing to continue to offer a £40 discount to applicants who are members of the London Landlords Accreditation Scheme (LLAS).

The proposed schedule of fees and associated charges is attached as **Appendix 3**. These fess form part of the consultation and the council welcomes any views on them.

Selective licensing exemptions

Some properties do not require a licence and will be exempt from the selective licensing scheme including:

- a) properties licensable as a mandatory or additional HMO.
- b) properties let by a local authority or a Registered Provider (RP), traditionally known as a not-for-profit Housing Association.
- c) properties already subject to a management order.
- d) properties subject to a temporary exemption notice.
- e) owners who reside in the property they own as their main residence (owneroccupiers).
- f) holiday lets; and tenancies under a long lease and business tenancies.
- g) 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.
- h) Student accommodation directly managed by educational institutions, e.g. halls of residence.
- i) properties managed by a charity registered under the Charities Act 2011 and which
 - a. is a night shelter, or
 - b. consists of temporary accommodation for persons suffering or recovering from drug or alcohol abuse or a mental disorder.

A full list of exemptions can be found at <u>The Selective Licensing of Houses</u> (Specified Exemptions) (England) Order 2006 (legislation.gov.uk)

8. Alternatives to licensing that have been considered

We have considered other courses of action, or alternatives to the selective licensing proposals. But we do not believe that they provide as effective means of tackling poor housing conditions and repeat ASB in the borough.

Alternative Measure	Strengths	Weaknesses
Use of Part 1 Housing Act 2004 enforcement powers [HHSRS] and Public Health powers	Following an investigation, formal statutory notices can be served that require improvements to be carried out to a property. Councils can carry out work in default if a notice is not complied with. Landlords risk being prosecuted if they do not comply with the notice or the Council can impose a civil penalty on the person responsible.	The powers do not place any obligation on landlords to be proactive in improving conditions. Formal action is generally slow, with appeal provisions against most types of notices served, which can significantly delay the time period for compliance. Work in default can be effective but it is expensive and time consuming to the Council, with the risk that not all costs are recovered. Successful prosecutions and civil penalties do not in themselves secure improvements in property conditions and the Council's costs in pursuing legal action are often not met in full.
Rely on prosecutions and civil penalties for housing offences	Provides a disincentive to keep properties in poor conditions.	These powers do not place any obligation on landlords to be proactive in improving conditions. Successful prosecutions, or the imposition of civil penalties, do not in themselves secure improvements in property conditions. The absence of licensing significantly reduces the scope of the council to impose civil penalties in respect of identified housing breaches.
Wider promotion of voluntary accreditation schemes to facilitate improvement in management practices and standards	For those landlords who take part, accreditation can increase their knowledge and competence and their ability to effectively manage a property.	This requires voluntary landlord engagement and rogue operators are unlikely to attend/engage in such schemes.
Improvement grants to improve sub- standard properties	Grants subsidise improvement works, improving standards and giving	Generally, there are few grants available and the council has very limited scope to offer grants through successful external funding bids. In the most part, grant

Alternative Measure	Strengths	Weaknesses
	benefits for landlords and tenants.	awards would fund improvements that the landlord should be carrying out to meet their legal obligations. Any grant scheme would be discretionary and would rely on voluntary landlord engagement.
ASB powers	Formal notices can be served at addresses identified as having ASB issues. This can resolve ASB at the particular address.	Action would generally be taken against the tenant in occupation. The powers do not place any obligations on landlords to be proactive in managing their properties to prevent or reduce the likelihood of ASB occurring.

9. Proposed scheme objectives

Licensing is part of an overall approach to help improve privately rented properties in the London Borough of Brent. As such, any outcomes will be as a result of a range of initiatives and methods that the council can use. However, licensing is an important element and will place the responsibility on the landlord to inform the council that their property is licensable and encourage them, with the council's support, to ensure that they meet the required standards. The council can then prioritise its resources effectively to dealing with the properties of most concern and target enforcement actions to those landlords who fail to licence their properties and/or breach licence conditions.

The selective licensing scheme will be assessed against the following scheme objectives:

Objective	Outcome
Improve property conditions in single family dwellings	Reduce category 1 and 2 hazards. Licence conditions complied with. Achieve a general improvement of property conditions in the designated area within the lifetime of the designation. Improved engagement with tenants in the PRS.
Improve management standards in PRS	Improved engagement with landlords. Improved engagement with tenants in the PRS.
Reduction in (repeat) antisocial behaviour in single family dwellings	Reduction in ASB incidents. Reduction in repeat ASB incidents. Reduced number of ASB concerns raised by residents over 5 years. Improved engagement with tenants in the PRS.
Increased awareness for tenants on the minimum standards to be expected in rented accommodation and what their other rights are when renting in the PRS	Supporting the most vulnerable tenants. Combat deprivation in the most deprived areas. Improved engagement with tenants in the PRS.

10. Licensing and wider council strategies

The licensing proposals are set in the context of the council's wider programmes to tackle housing need, improve property standards and reduce ASB.

Council Borough Plan

The Council's <u>Borough Plan 2021-22</u> is based on the vision to "make Brent a borough of culture, empathy and shared prosperity": The plan sets out five strategic themes to improve the lives of those who live work, study and do business in Brent. Desired outcomes include extending regulation to ensure private landlords offer decent standards for their tenants. Also to reduce anti-social behaviour (including environmental nuisance) by tackling it on a targeted neighbourhood basis.

Licensing will assist the council in achieving these desired outcomes.

The draft version of the Borough Plan 2023-27 is currently going through consultation, which is available for here - <u>07a. Appendix A - Draft Borough Plan 2023</u> <u>27.pdf (brent.gov.uk)</u>

Housing Strategy

Brent Council is currently in the process of drafting the new Housing Strategy for 2023 onwards. However, the licensing proposals are in line with the existing draft Housing Strategy 2017-2022.

The interventions in the proposed areas support the Council's Draft Housing Strategy, 2017-22 "through the provision of decent and well-managed accommodation"; and the Brent Responsible Growth Strategy (RGS): Housing Theme 2018-2038 which aims to improving community safety and the neighbourhood environment and to address high levels of deprivation.

"The Housing Strategy identifies opportunities for the private rented sector to "play an important role in delivering new supply" to deliver "supply that meets required standards of management and maintenance and is accessible to people on a range of incomes in a market that is well regulated and offers appropriate protection to tenants".

Homelessness Strategy

Brent Council has outlined its strategy to maximise the prevention of homelessness and to minimise the negative impacts of homelessness upon families and individuals where prevention is not possible in the <u>Brent Homelessness and Rough Sleeping</u> <u>Strategy 2020-2025</u>. The council's homelessness review has shown that the loss of a private sector assured-shorthold tenancy is still the most common reason for people to approach the council for help.

Working to improve access to and conditions in the private sector is therefore vital for providing a wider housing offer for Brent residents and the council has committed (commitment 3) to 'work to increase the supply of and access to stable and affordable homes across the borough'.

This will be achieved through licensing and enforcement processes and working together with local landlords through the Landlord forum to improve standards and drive-up conditions in the private rented sector. Continuing to facilitate access to stable homes in the private rented sector.

Poverty Reduction Strategy

The council has outlined its strategy for poverty reduction. The Poverty Reduction Strategy states Brent households in poverty stands at 17% before housing costs and rises to 33% with housing expenditure included. For children, rises from 22% in poverty before, rising to 43% with housing costs. In the PRS, rents very often exceed 40% of net incomes. The policy states there is a need to rigorously enforce standards in the private rented sector (PRS).

The policy states that many of those renting privately reported issues with the quality, security and affordability of their housing. These issues included overcrowding damp, disrepair, needing to share facilities and ultimately homelessness, which is closely linked to difficulty paying rent. The latter can lead to eviction associated with poverty.

The policy acknowledges that the council does "have powers to improve standards within the private rented sector, including through licensing of landlords."

Brent Climate & Ecological Strategy

In 2021 Brent declared a climate and ecological emergency and pledged to achieve carbon neutrality in the borough by 2030. The <u>Brent Climate & Ecological Strategy</u> <u>2021-2030</u> recognises that better insulating homes and making them more energy efficient is one of the key actions that must be taken to reduce carbon emissions.

ASB

Brent Council recognises the need to challenge any form of Anti-Social Behaviour (ASB) in an effective robust and proportionate manner. Residents have a right to a quiet and peaceful enjoyment of their environment, which they live in making sure cases are resolved through effective intervention and support services.

Brent Council ASB policy applies to all residents including all landlords and tenants in the private rented sector. To tackle ASB problems, we have made it conditional on all private landlords who hold licences under our HMO or selective scheme to prevent and combat ASB associated with properties they manage. Section 57(5) of the Housing Act 2004 gives a definition of ASB for the purposes of licensing under Parts 2 and 3 of the Act.

PHS will use all tools and powers available to Council officers to support our customers affected by anti-social behaviour (ASB) and to take action, including prosecution, against licence holders who do not take adequate steps to tackle ASB. The Housing Act 2004 refers to an offence being committed if a landlord breaches a condition of a licence without reasonable excuse.

This procedure should be read in conjunction with Brent Council's ASB Policy Procedure, Anti-Social Behaviour Policy and procedure (.pdf, 519.5kB), which outlines how the Council deals with ASB.

PHS advise all customers to visit our ASB Team webpage; https://www.brent.gov.uk/your-community/crime-and-community-safety/anti-socialbehaviour/

11. Further information

Further information about the council's proposals can be found in the following report:

Decision - Private Housing Service Selective Licensing Schemes Consultation (Non Key Individual Cabinet Member Decision) (brent.gov.uk)

The Public Sector Equality Duty (PSED), section149 of the Equality Act 2010 requires the Council to have "due regard" to its equality aims when exercising its public functions. Brent believes that an Equality Analysis (EA) is the best method to demonstrate compliance with the PSED. An equality analysis was carried out as part of these proposals. This Equalities Assessment found at Appendix 4 of the consultation bundle

12. Appendices

Appendix 1	Housing Stock and Stressors Report, Metastreet, 2022
Appendix 2	Proposed Selective Licence Conditions
Appendix 3	Proposed Schedule of Fees and Charges
Appendix 4	Equalities Assessment

Appendix 5	Map of the two proposed designations
Appendix 6	Map of proposed designation 1
Appendix 7	Map of proposed designation 2