

Update on Private Sector Housing Matters

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PLACE

Public Realm

(information correct at date of release)

Today I will cover

The proposed selective licensing scheme.

Changes made by the Council in January 2021

- HMO (mandatory) fees
- HMO (mandatory) licence conditions
- Smoke and Carbon Monoxide Alarm
- Determining the Penalty and Banding the Offence

Questions in chat and if not answered today in the minutes

Cabinet met on
the 18th January
2021.

New changes
from the 1st
February 2021

Licensing in Croydon

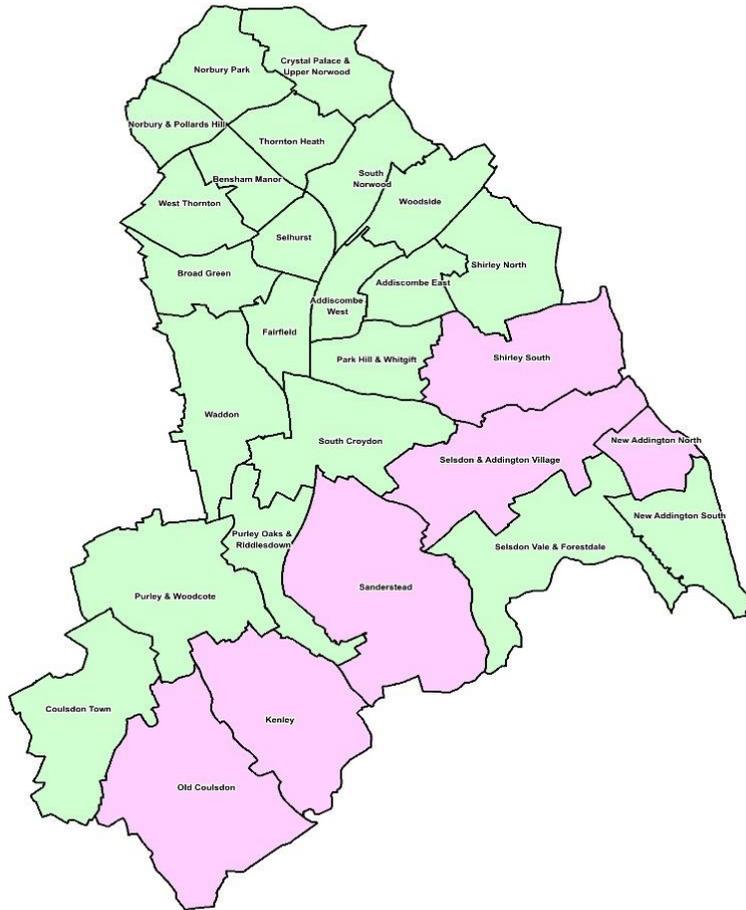
Croydon Private Rented Property Licensing 2015

- Closed on the 30th September 2020.
- All licences issued ended on the 30th September 2020.
- 2,007 applications received from 1st April 2020.
- Total licences issued 38,596.
- Income in region of £15.5M to end March 2020
- Initial target was 30,000 applications, £15.3M
- Estimated number of licensable premises was 48,500
- 66 financial penalties served, 13 prosecutions.
- Recent prosecution; letting prohibited basement flat.
- Mandatory licensing of HMO continues.

Information:

www.croydon.gov.uk/betterplacetorent

Croydon Private Rented Property Licensing 2020



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The 22 wards included in designation area A are:

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

The 6 wards included in designation area B are:

Kenley
 New Addington North
 Old Coulsdon
 Sanderstead
 Selston & Addington Village
 Shirley South

Area	Primary condition
Area A	Poor housing conditions
Area B	Significant and persistent anti-social behaviour (ASB)

Some information about the two areas

	Croydon	Area A	Area B
Population	385,346	316,464	68,882
All Dwellings	164,378	138,180	26,198
PRS	58,585	54,172 (39%)	4,381 (17%)
Land Area	87km ²	55km ²	32km ²
Population per km ²	4,429	5,754	2,153
Number of wards	28	22	6
Selective licences granted.	34,736	32,842	1,894
Mandatory HMO's ^{R31}	595	583	12
Non Mandatory HMO's ^{R31}	259	251	8

Housing conditions in each area

	Croydon (households)	Area A (households)	Area B (Households)
Category 1 hazards	13,922	12,560	1,362
ASB incidents	15,746	13,863	1,883
Part 1 notice served	1,189	1,140	49
Work in default completed	110	110	0
Prohibition Order served	72	71	1
EPC E-G (all properties)	20,316	16,665	3,651
Service requests	6,220	5,856	364
Absence of fire precautions	2,476	2,303	173
Location of tall building	63	63	0
Empty properties ^{R18}	3,637	3,206	431

Support for landlords and letting agents

- Advice notes on new and existing legislation
- Providing avenues to enable support for vulnerable tenants
- Increased opportunities for landlords to input.
- Update Croydon PR Property Licensing Guide
- To provide a landlord exemption form.
- To review the referencing process - minimise discrimination.
- Template documents: property inspection form, tenancy management arrangements, a fire safety procedure, a 'tenants welcome pack'.
- To provide clear pathways to allow landlords to receive support when tackling serious anti-social behaviour in a property.

Mandatory Houses in Multiple Occupation Licensing

There are two fees to pay (amount on next slide):

Part A fee. The fee on application.

It covers the cost of administration and inspection and should be made with the application.

Part B fee. The fee on grant of licence covers the cost of the overall management of the HMO licences. This payment is payable just before the licence is granted.

<u>Licence fee structure</u> Fee maximum £5,000 Licence issued for up to 5 years	Total Fee	Part A	Part B
Fee per habitable room (e.g. bedroom or living room)	£250	£150	£100

<u>Licence fee structure</u> Licence issued one 1 year	Total Fee	Part A	Part B
Fee per habitable room (e.g. bedroom or living room)	£170	£150	£20

Mandatory HMO licensing

changes to the licence conditions

- the safety of the electrical installation requirements,
- 14 day deadline for returning documents on request; gas safety certificate, furniture and electrical appliance safety.
- the smoke and carbon monoxide alarm requirements,
- the control of anti-social behaviour (reworded condition)
- the storage and disposal of household waste requirement
- the introduction of minimum room standards and a system for managing breaches that a landlord was not aware of.

Determining the Penalty and Banding the Offence

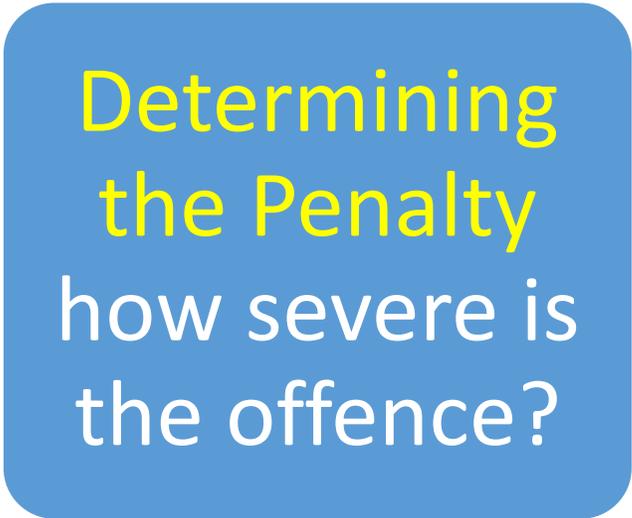
Determining the Penalty & Banding the Offence

‘Determining the Penalty’ is the process by which LBC determines the severity of the offence and the appropriate sanction(s) to be taken against an offending landlord or agent.

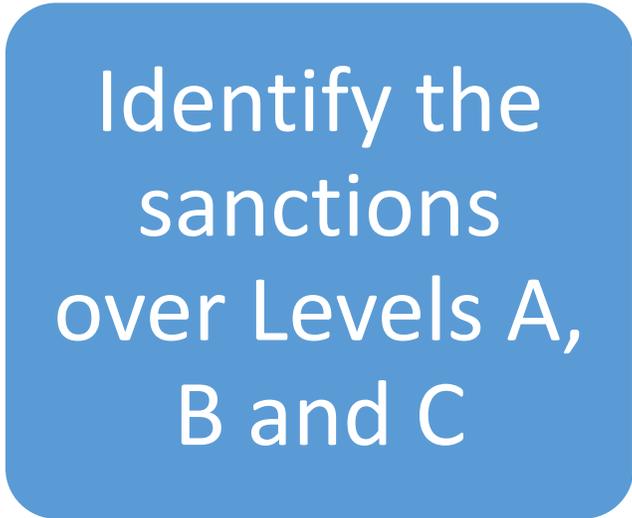
‘Banding the Offence to set the Level of the Financial Penalty’ provides a 5 stage approach to determine the level of the penalty where the sanction includes a Financial Penalty.

The steps

**Determining
the Penalty**
how severe is
the offence?



Identify the
sanctions
over Levels A,
B and C



Where the
sanction includes
a financial penalty
**'Banding the
Offence'**



Full title of legislation
Client Money Protection Schemes for Property Agents (Requirement to Belong to a Scheme) Regulations 2019
Consumer Rights Act 2015
Criminal Law Act 1977 and Protection from Eviction Act 1977
Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020
Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (as amended in 2019)
Housing Act 2004 and Housing and Planning Act 2016
Redress Schemes for Letting Agency Work and Property Management Work (Requirement to belong to a scheme) (England) Order 2014
Smoke and Carbon Monoxide Alarm (England) Regulations 2015
Tenant Fees Act 2019
Management of Houses in Multiple Occupation (England) Regulations 2006

Possible sanctions

Determining the penalty		
Level A	Level B	Level C
<ol style="list-style-type: none"> 1. Managers warning 2. Simple caution 3. Financial penalty 4. Prosecution in Magistrates Court 	<ol style="list-style-type: none"> 1. Register on Mayor of London Landlord Checker 2. Publication penalty – Energy PRS Exemptions Register 3. Issue a 1 – year licence 4. Apply for rent repayment order 5. Recover prohibited tenant fees 6. Revoke / refuse licence 	<ol style="list-style-type: none"> 1. Register on MHCLG database 2. Banning order application and term 3. Review wider licences 4. Review action against landlord debts 5. Management order – Part 4 2004 Act

Sanctions are scored

Band 1				Band 2				Band 3				Band 4			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Simple Caution															
Financial Penalty															
Greater London Authority; Mayor's Rogue Landlord and Letting Agent Checker															
			Register on Rogue Landlord Database (2 FP within 12M period)												
					Rent Repayment Order / Recover Prohibited Fees										
					Prosecution										
										Banning order application					

16 penalty bands

Penalty band	Band 1				Band 2				Band 3				Band 4			
Penalty Score	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Financial Penalty	£250	£500	£750	£1000	£2,000	£4,000	£6,000	£8,000	£10,000	£12,000	£15,000	£18,000	£20,000	£23,000	£26,000	£30,000

Smoke and Carbon Monoxide Regulations 2015

Statement of principles is updated:

- The fixed £2,500 and £5,000 is removed, fine assessed by matrix.
- Early penalty allows a reduction in one penalty point.

Duties on Landlords

a smoke alarm is installed on each storey of premises.

a CO alarm is installed room with a solid fuel burning combustion appliance.

Alarms are in proper working order on the day the tenancy starts.

Government Consultation

Building Regulations amended and requirement for CO alarm to be fitted alongside the installation of fixed combustion appliances of any fuel type

Making contact and keeping
informed

Contacting the Private Sector Housing Team

For queries about licences (both schemes)

Telephone: 020 8726 6103

propertylicensing@croydon.gov.uk

Technical queries about the proposed scheme

CPRPLconsultation@croydon.gov.uk

Queries about property standards or enforcement

Telephone: 020 8760 5476

hsg-privatehousing@croydon.gov.uk

hmo@croydon.gov.uk

Make contact:

If you have any queries about what you need to do please make contact with one of the teams

Information

- The Croydon website.

www.croydon.gov.uk/betterplacetorent

The screenshot shows the Croydon website header with the logo and navigation links: Services, A to Z, In your area, News, Jobs, My Account, and a search bar. A red banner below the header contains a coronavirus update. The breadcrumb trail is: Home > Housing > Landlords > Croydon private rented property licence > Landlord newsletters and Landlord Forum. The main heading is 'Croydon private rented property licence', followed by a paragraph explaining the Housing Act 2004. Below this is a list of links: Selective landlord licensing consultation, Landlord information pack, Landlord newsletters and Landlord Forum, Croydon private rented property licence, Croydon private rented property licence 2020, and Information for tenants.

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www.croydon.gov.uk

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! Coronavirus (COVID-19) See [information and service updates](#). Hide

[Home](#) > [Housing](#) > [Landlords](#) > [Croydon private rented property licence](#) > Landlord newsletters and Landlord Forum

Croydon private rented property licence

The Housing Act 2004 has given councils the power to introduce the licensing of privately rented properties to improve conditions for tenants and the local community.

- [Selective landlord licensing consultation](#)
- [Landlord information pack](#)
- Landlord newsletters and Landlord Forum
- [Croydon private rented property licence](#)
- [Croydon private rented property licence 2020](#)
- [Information for tenants](#)

Information:

We look to keep you informed of new requirements for safe and responsible letting.

Thank you

Nick Gracie-Langrick

Private Sector Housing Manager

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